

ALBERTA WHEAT POOL RALLY

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ADDRESSES BY

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SENATOR W. A. BUCHANAN, Publisher of Lethbridge Herald
C. O. SMITH - - - - - Editor of Calgary Herald
HON. J. G. GARDINER - - - Premier of Saskatchewan
HON. J. E. BROWNLEE - - - Premier of Alberta
HON. R. B. BENNETT, K.C., M.P.



Agriculture
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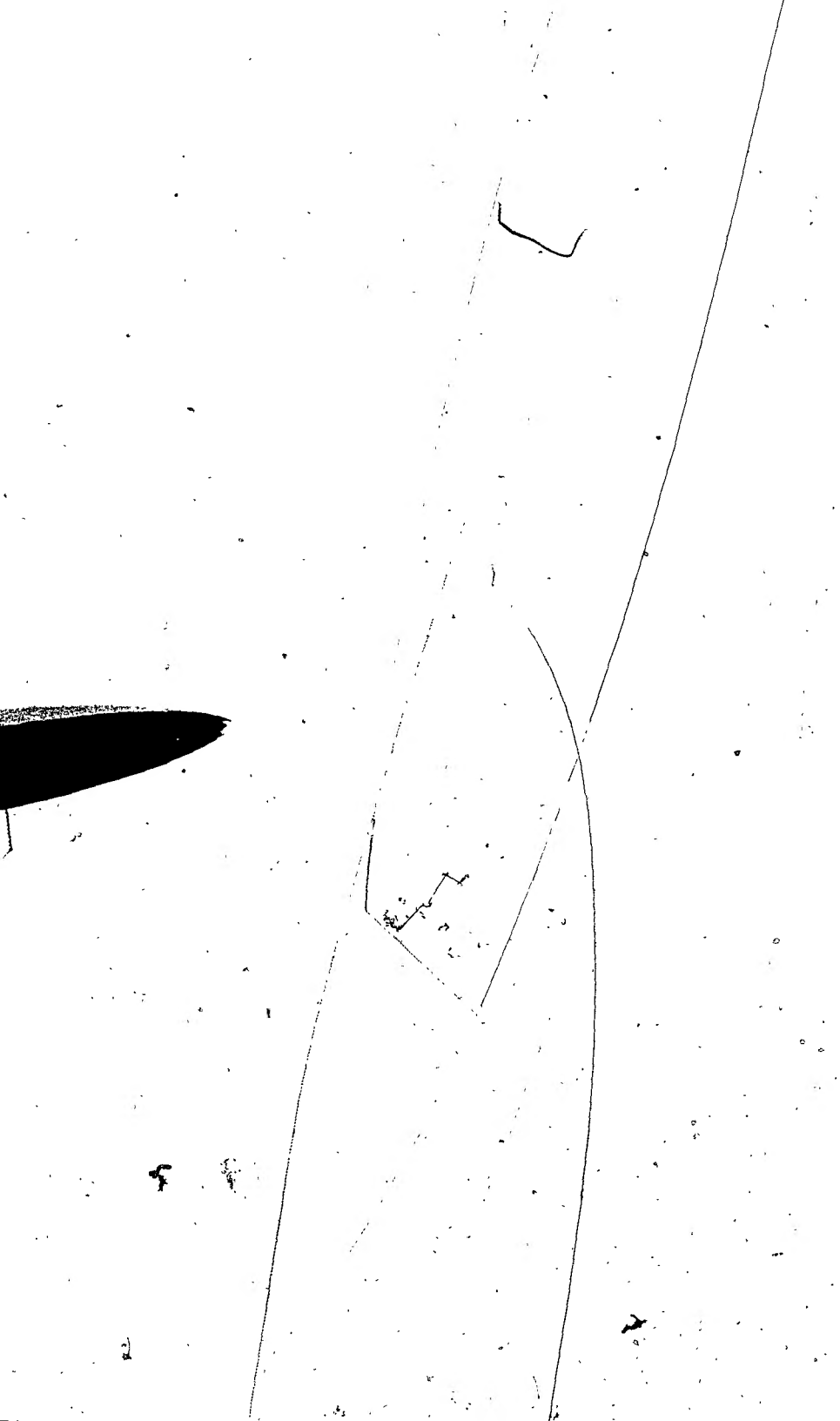
ISSUED BY

DEPARTMENT OF EDUCATION
ALBERTA CO-OPERATIVE WHEAT PRODUCERS
LIMITED

Calgary, Alberta.

June 8, 1927.

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F. E. OSBORNE
Mayor of Calgary

I am just wondering how many addresses of welcome I can give before I have to start all over again and go over the same ground. Last week it was my pleasure to welcome to Calgary the Navy League of Canada. Later on in the week the Canadian Manufacturers Association. This morning the Grand Lodge of the Masons of Alberta, and this afternoon I have the privilege of welcoming to our city, what is probably the largest co-operative marketing association in the world.

May Join Pool on Basis of Fact

Four years ago you were holding meetings in an endeavor to launch what you thought would be a movement that would be of great benefit to you. Today the same group of men come before you to tell you something about what has happened in the last four years. They meet to impress upon you the fact that due to the experiences of the last four years, perfect organization and a greater knowledge of conditions they are able to ask you to join the Pool on a much different basis, probably on a basis of fact instead of hope.

I freely admit that I know very little about your method of marketing as compared to other established systems, but when any considerable body of men interested in any one line of endeavor decide upon a certain line of action as best suited to their requirements and to their greatest advantage commercially, financially, and economically I am free to say I am quite willing to bow to their judgment in the matter and say: "God bless you and I hope it will be a success."

The Interdependence of Industry and Agriculture

I wish it had been possible for this gathering to have heard the address which was made last week before the Canadian Manufacturers Association by C. W. Peterson on the interdependence of industry and agriculture. He dealt with the subject in an interesting manner. I do not think he unduly stressed the industrial side of it as he gave an analytical review of the necessity of proper farming and of closer markets and greater consuming power.

With your Wheat Pool and other co-operative organizations you are in business, and in big business, just as surely as any manufacturer or wholesaler or retailer in the province, and, conversely, may I say that our packers and hide dealers and lawyers and doctors and jobbers and manufacturers may be said to be in agriculture to some extent. I cannot help but recall in this connection the old fable about the eyes and feet and mouth calling an indigestion meeting against the stomach because the stomach was not contributing anything to the welfare of the body, and going on strike and saying they would not function because of that fact. But the physical body soon became sick and ill and diseased and it was found that the stomach was a very essential part of the physical mechanism. Just so are the various parts of the body economic, interdependent one upon the other.

Need for Efficiency

I think we are all willing to admit this is the case, but I am not so sure that in every day life we carry it out in practice. I was talking to an experienced railroad man the other day and asked him what increased efficiency a two line railroad had over a one line railroad. He said the double line was just four times as efficient as a single track system. We have got to get away from the single track mind and multiply our value to the community and country.

Tremendous Growth of Pools

Your organization has grown remarkably in the last four years. I am informed that four years ago in Alberta you had 25,000 members, handling 35,000,000 bushels of wheat. This past year you had over western Canada 110,000 members handling 188,000,000 bushels of wheat, 25,000 bushels of coarse grains and that your total annual turn over was approximately \$300,000,000 making the organization probably the largest, or one of the largest organizations, in Canada. Under these conditions you may be justly proud of the work of your executive and of the fact that you belong to such an organization.

Welcome To Calgary

That has all brought me quite a long way away from the thing I was asked to do. I was asked to welcome you to the city of Calgary. That is almost superfluous. It goes without saying that Calgary is very glad to see you not only today but at all times and to welcome you as our visitors. I am glad that the custom still prevails, and as I know it does three or four times a week, of giving the chief officer of the city an opportunity of welcoming visitors. It gives me the opportunity of assuring you that our citizens have a great interest in the success of your organization and I hope the efforts you are going to put forward may mean, and the decisions you arrive at may mean, that value which is of the greatest advantage to you individually and collectively. If it does that it will mean the greatest advantage to the city which is surrounded on all sides by the agriculturist.

I believe Alberta is at the turn, and that nature is going to provide a much increased production which your organization will handle. I think that is all I have to say today. I am very glad to offer a welcome to you to Calgary and hope your deliberations may prove to be the most beneficial as I said for yourselves, your organization, for the city and for the province. I thank you.



ROBERT GARDINER
Member of Federal Parliament

It may be asked what is the purpose of this meeting this afternoon. Most of you are aware that for two days the seventy elected delegates who represent the contract holders in the Wheat Pool have been sitting in conference for the purpose of organizing the drive to secure new contracts beginning August 1, 1928.

Inspirational Meeting

I believe that those who are responsible for calling this meeting had in mind the securing of the greatest inspiration for the work that lies before us. We might therefore call this an inspirational meeting. Many of you have been in this province and have been farming for many years. You well remember the conditions that we were faced with immediately after the war when the deflation period struck us. We had an economical problem on our hands that seemed impossible of solution. We remembered with a great deal of regret, that we had a Wheat Board in 1919 which served a useful purpose at that time, and we looked with hope for such another organization to take its place to sell the products of the farmer, particularly wheat, in large volume.

Failure To Secure Wheat Board

As far as the organized farmers of the province were concerned they concentrated their efforts in securing legislation to create another National Wheat Board. We secured the necessary legislation at Ottawa but because of circumstances which arose later it was impossible to put it into effect. We were greatly disappointed because we had hoped for a great deal from the new Wheat Board.

We looked in other directions to see a way out of our difficulty. It was an economic difficulty. Not only did it affect the farmer but also all classes in our province and in Canada. It was, therefore, necessary to find some solution for the serious problem that faced us.

Evolution of Pool

I do not know that any particular person was responsible for evolving the idea of a co-operative Wheat Pool, but it evolved and through the efforts of the farmers, assisted by our city friends, we finally organized the Wheat Pool in 1923. We have had four years of the Wheat Pool. The audience here this afternoon, many of whom came from sections far off, is to some extent an appreciation of the good which the Wheat Pool has done to all classes of citizens in this province.

Contracts Must Be Renewed

The Board of the Alberta Wheat Pool recognizes the fact that in 12 months time the present contract will expire. We have spent considerable money in providing for facilities to handle your wheat and it is only natural that we should desire contracts renewed as soon as possible so as to know what should be done in regard to providing further facilities.

Pool Hopes For Assistance From All Classes

That, in brief, is the situation today. We have met today to gather inspiration not only from those who will address you but from each other in order to steel us to the work that lies before us. In 1923 we had the assistance of many people; the assistance of almost all people of all classes in this province. I hope that we will have the same assistance but in greater measure in our present campaign. I trust that those who are here this afternoon and who are not wheat producers or contract holders will appreciate that we accepted their assistance in 1923 with pleasure and thankfulness. We hope the same assistance will be forthcoming in greater measure on this occasion.



H. W. WOOD
President Alberta Wheat Pool

I have no set speech to offer you this afternoon. We are here for a very definite purpose. It is a matter of business and I think we want to approach it from a business point of view. We should carry on our discussions in a purely business way looking to the fuller development of that business.

Difficult Job to Organize Pool

The chairman has already reviewed briefly some of the circumstances connected with the inception and final organization of our Wheat Pool. It was not an easy job. It was not a job that could be done quickly. In all great movements of the masses an idea first begins to work itself into the minds of people and sometimes action grows out of that idea. We undertook to implement that idea into action. The process has been going on for quite a few years among the farmers. Farmers have conceived quite a few ideas regarding the making of progress en masse. They have frequently succeeded in starting a movement based on that idea. While it is a hard thing to do is not the supreme test by any means. What has been considered up to the present time the supreme test of a popular movement, especially among farmers, is the second effort, and as a rule it has met with disaster. I think almost one hundred per cent of the time, if not entirely one hundred per cent, the reason for the collapse at the second effort has been because there was something wrong with the fundamental basic principles of the movement in question. Farmers were either trying to accomplish a false purpose or else they were going about it in the wrong way.

We Are Now at the Testing Period

I am not going through the graveyard and read the epitaphs on the tombstones of those dead organizations. I merely wish to emphasize that

we are at the testing time right now. There is a very small percentage of our people in this country that really believe that we are wrong. There is a very small percentage of the intelligent disinterested people who have made an investigation of what we are doing, why we are doing it and how we are doing it, that do not think we are right and there is a very small percentage that do not sympathize with us. I say this with a good deal of pleasure because by what we are doing we hope to affect the interest and the welfare of all people. We want the support of all people. We want better things. I believe a very large majority of all the people want better things. If there is one thing that I object to above everything else it is putting our movement into the attitude of a bunch of Ishmaelites with every man's hand against it and our hand against every man. God be merciful to us if we get into that condition because I do not think He can pity us. If we are doing a thing that is right every right-thinking disinterested man that understands our movement will be our friend and supporter. Unfortunately, there are some people that are directly interested in this movement in a negative way, in a purely individual way their self interest is concerned. I will not call it selfishness because self interest is a tremendously difficult thing to overcome. I can overcome it very nicely when I am interested in the way the thing is going itself. It is not so easy when I am not. But, unfortunately, there are some who are interested in the failure of this movement and we have got to recognize their attitude as a fact.

Origin of Idea of Selling Canada's Wheat Co-operatively

I think, perhaps, it would be interesting and possibly instructive to go back over the history of this movement to the time when it was only an idea in the minds of some people. We do not have to go back very far to reach that time. We do not have to go very far back before 1919 to overtake the idea (the year the wheat of the North American continent was sold in an intelligent way). About the end of the War, or a little before, we began to hear something about the idea of selling agricultural products co-operatively. It seemed a hopeless undertaking but the idea grew and we began to try to implement the idea into action.

But we did not make any progress. We did a great deal of talking. I remember speaking at a gathering of farmers—I think it was in 1917 or 1918, and I said: "Just as soon as you people get ready for a Wheat Pool you need not worry about the organization. We will get the organization." It was not a great while after that time when I began to find out that a large number of people were ready for a Wheat Pool, or thought they were. I began myself to get impatient for the organization of a Wheat Pool.

America's Wheat First Sold Efficiently in 1919

After 1919, when the wheat of the North American continent was sold efficiently for the first and only time in the world's history, the demand for concentrated selling of wheat increased immeasurably. In passing, I want to say something about the selling of the 1919 crop of wheat. I am sorry I did not think about it and bring actual statistics. However, I can give them to you approximately.

There was not any particular undersupply of wheat in the world in 1919. There was not a very large carry-over from the year before. The War had just ended. All of the talent that tells us all about these things told us the price of wheat was bound to go down. The talent told us the War is ended; Europe is prostrated financially; great numbers of people are absolutely unable to eat bread at all, and a larger number unable to eat bread except at a very cheap price; they will get substitutes, and wheat has got to go down.

United States Government Adopts Centralized Selling

In the meantime, prior to the Armistice, the United States Government had fixed a price on the 1919 crop of wheat, in order to encourage the sowing of fall wheat in the fall of 1918. All the wheat that did not bring the set price, \$2.25 per bushel, I do not know the basis now, would be taken over by the U.S. Government and resold at the expense of the Government. That meant centralized selling for the United States crop of wheat. They said: "Here is a price we will give you for your wheat; if it does not bring that price we will take it ourselves." That absolutely forced the domestic trade to pay that price at once. That centralized the selling of the United States wheat just as much as the Canadian Wheat Pools have centralized selling, because the Government sold all the surplus wheat that did not bring the fixed price through one agency.

Canadian Government Wheat Board

The Canadian Government organized a Wheat Board and put all the Canadian wheat in the hands of that Board to sell. For the first and only time in the world's history the North American wheat was being sold instead of being bought. Instead of wheat going down to a much lower level, it reached an average price of \$2.65 basis One Northern in store Fort William. It sold even higher than the United States wheat crop.

They tell you that these prices were due to War conditions and they keep on telling you that. They tell you the 1919 crop sold as such under War conditions. What were the War conditions? They had already told you what these conditions were. The people of the world could not possibly buy wheat at a high price.

Prices Tumble When Centralized Selling Discontinued

In 1920 the centralized selling of the North American wheat was discontinued. There was very little difference in the situation with regard to supply, and there should have been some recovery from War conditions that existed at the time of the signing of the Armistice. But in six months wheat went from \$2.00, as a matter of fact we were selling wheat in considerable quantities in May, 1920, at \$3.50 per bushel basis One Northern at Fort William down to \$1.40.

I read a pamphlet written by a university man, who, of course, knows everything, speaking about irresponsible statements made in regard to the decline in the price of wheat. I have outlined the conditions to you and if that man knew anything at all about these conditions he did not show the slightest evidence of it in his statement.

In another six months wheat had gone down I believe to \$1.02 and lower. In the meantime we had been trying to get the Government Wheat Board reinstated because we did not believe we could organize a Pool, which we all wanted at that time. But we went on trying to organize the Pool. In 1923 after working on the job for five or six years we succeeded in getting a Wheat Pool started in Alberta on October 29th.

Without making any further comments, I want to give you statistics which show the development of the Alberta Pool's operations since October 29, 1923.

Statistics Showing the Operations of the Alberta Wheat Pool Since Its Inception in October 29, 1923, to June 1, 1927:

Crop Year	Members	Pool Acreage	Percent of Total Acreage Controlled By Pool	Bushels Handled	Shipped West (Bushels)
1923-24	25,601	2,416,413	46.7	31,218,980	16,658,000
1924-25	30,711	2,952,890	52.9	23,027,492	11,862,000
1925-26	35,997	3,457,673	60.4	45,159,505	23,465,000
1926-27	39,164	3,698,863	60.	43,690,000	25,500,000
TOTAL (Approx.)				161,000,000	77,185,000

Gross Turnover of Pools \$650,000,000

The present membership of the Pools in the three prairie provinces is approximately 138,000. The three Pools have at present 15,500,000 acres under contract. To date, the three Pools have handled 480,000,000 bushels of wheat and 50,000,000 bushels of coarse grains. The total gross turnover of the three Pools to date is approximately \$650,000,000.

These figures will give you an idea of the magnitude of the business that we are carrying on. If we have made one cent a bushel more for the wheat we have handled than we would have obtained from the old channels of trade the additional returns would be \$4,800,000.00. If we have raised the price ten cents a bushel our net profit out of our own operations have been \$48,000,000 for the three western provinces.

What Influence Has the Pool Had on Prices?

The farmers of the western provinces, if we have received ten cents a bushel more have had \$18,000,000 more to pay interest and taxes and buy farm implements and support their families, than they otherwise would have had. Have we received ten cents a bushel more than we would have had had we not had the Pool? Two Australian farmers came to western Canada a little over a year ago last winter. They made a very careful survey of the Pool. They investigated conditions in the United States in regard to Pool selling. They spared no time or pains in making this investigation for the purpose of finding out the truth and nothing else. They went back to Australia and told the farmers there that they did not have a shadow of a doubt in their minds that the Canadian Pool (they did not say anything about the U.S. Pools or any Pool in Australia) had raised the price of Australian wheat at least 25 cents a bushel. That is what these people gave us their opinion of the Canadian Pools. As a result the Pools' strength has developed quite healthily, not to say rapidly, in Australia.

Why Have Wheat Prices Increased Greatly Since 1923?

The 1923 crop of wheat was selling right along at \$1.00 a bushel or less when the Alberta Pool went into operation. The prices stiffened up a little but not very much. We got into the market late. The market might have stiffened up anyhow. I will not say anything about that. But why has the price of wheat held a much higher level, approximately 50 cents a bushel higher than the price paid for the 1923 crop, during the last three years. The talent over the world said there was bound to be a slump in the price of the 1926 crop. It did not come. Why did it not come? I presume one of the best authorities on wheat prices is the Scottish Co-operative Millers, an institution that professes to be interested primarily in getting flour to the consumer as cheaply as possible. At their annual meeting the president said that flour was unnecessarily high to the consumers mainly because of the Canadian Wheat Pools putting the price of wheat up.

Grain Trade and Scottish Millers Disagree

The Grain Trade comes to the Pools rescue and says they sold the wheat higher than the Pool did. But the Scottish Co-operative Miller has not found that out yet! We get the blame not only from the Scottish Miller but from the world. I do not know any fact in regard to trade that is more generally recognized throughout the world today than that the Canadian Pool is one of the greatest price-making factors in the world's wheat market.

We are putting the price of flour up to the consumer. The Scottish Miller says it is too high. Just how high has wheat to go before the price of flour gets too high? Just what is the value of our Canadian wheat expressed in dollars and cents per bushel? The value of our wheat is the price that is on the same level as the prices we have to pay for all we have to consume. That value may be 75 cents a bushel or it may be \$7.50 a

bushel. So far as the producer is concerned he does not care a "rip" which it is, as long as he gets the true value.

I do not know what we have to pay for a binder today, I believe about \$300.00. What is the proper price of wheat when the farmer that grows it has to pay \$300.00 for a binder?

A Delegate: \$1.25.

Mr. Wood: I think you are pretty modest. The price of a binder is just a rough index to other prices. What we want is to sell our products on the same level of prices as the level of prices at which we buy and we do not care what that price level is. Why do we want that price? We want it because we want to live like other people are living. And we expect to get what we want because when we do industry is going to be able to function in giving service to humanity not in making a few of the people rich and great multitudes of people poor.

Agriculture is the Primary Basic Element of Industry

The mayor who delivered such an admirable address to this audience used a term that has become quite prevalent and people do not recognize that it is not a true one. Agriculture is not only an element of industry but it is the primary basic element of industry, and people talk about agriculture and industry. We are not in it and that is a fact. We have never recognized ourselves as being a part of anything. I am not bringing any railing accusation against anyone because it is no one's fault but our own. You do not expect the other elements of industry to wet nurse us. You cannot.

What did I say, ten cents a bushel would make on our sales, \$48,000.00? Twenty cents a bushel would make twice that; twenty-five cents a bushel would mean two and a half times that.

About sixty per cent of the farmers of Alberta have taken their coats off and got into this game and brought about this condition and the others have profited by it to an almost equal extent. That is a condition that exists and we cannot help it. I do not believe there will be nearly so many outsiders in the future.

Crucial Test of All Movements is Second Effort

I have already talked too long perhaps, but I wish to state further that we are right now up against the supreme test of this movement. That is, the second effort. 'How many farmers' organizations have you seen organize things that seemed successful at the beginning of the first effort. Go back over the last half century on the North American continent and go through the political grave-yard and read the epitaphs on the tombstones there. Political movements organized that went off with a great flourish of trumpets and with apparent great success. Upon the second effort, they passed out of existence. That is exactly what opposition to the Pool is expecting to happen in the next year. They say: "We will convince these farmers that they can get more outside the Pool than inside the Pool."

A Delegate: No they cannot.

If Pool Is Wrong It Will Go Down

Mr. Wood: That is what they think and they say: "We will convince them that this thing is wrong." Well, if it is wrong it is going to go down. The Great Ruling Power of this Universe cannot keep this thing going if it is wrong because the Universe goes because of things going right. We believe our plan to be the right one. There is just one question involved. Are there enough farmers with a sufficiently circumscribed vision that will stand out, and say we will not join the Pool for another term. That is all that is involved. I am not going to talk to you about the practical aspects of this whole movement. We discuss that continuously. The problem that is before us is whether or not we are going to get the sign-up for another five years.

The farmers are directly responsible for that. We have appealed to other people to give us their sympathy if not their active support. Why? Because we realize that people engaged in other legitimate interests in Alberta are almost as much interested in the success of our Pool as we are. Why? Why are the retailers interested in this Pool? Because they know that every additional dollar the farmer gets he has got just one more dollar to spend and they will at least get a part of it. You cannot carry on trade when the purchasing power of the customer has been destroyed. They know that. The banks are interested in this. Why? Because they want to charge us more interest for money. The opposite is true. Because if we can more fully and solidly protect our security we can borrow for a smaller rate of interest. The bankers know that every additional dollar that we get for our wheat strengthens our security that much and enables the farmer to pay his debts to the banks as well as to other people.

All Except Grain Trade Interested in Success of Pool

Everyone that is operating a legitimate interest that is not making a direct profit out of the grain trade should be interested in the success of this movement, and I believe they are. I believe the city of Calgary is pretty nearly as good a friend of the Pool as the country districts are. It is to their interest to have our people sign the Pool contract. We have got to make a close canvass. We have got to systematically cover this province and try to get every farmer in the province to sign the contract.

Every Man and Woman Should Contribute to Cause

You say these conditions ought not to exist. These conditions do exist. It is not a question of what should or should not exist; the question is what does exist. I have not the slightest fear but what we are going to succeed, but it is the measure of success that we are interested in. We do not want to barely succeed but we want to succeed to the utmost. We want to put forth the greatest effort to that and I appeal to every man and woman in this audience to go back and attend to your own business by giving all the support to this coming sign-up that you possibly can, and after it is over be able to say, whatever the results have been, that I personally have contributed my just share to the cause.



A. U. G. BURY
Mayor of Edmonton

May I in the first place thank those who are responsible for the arrangements of this rally for the honor they have done me in including me among the speakers. I dare say when some of you saw the name of the mayor of Edmonton on the programme you thought, if you did not actually utter the expression, is Saul also among the prophets? What does this man know or what can he tell us of interest or importance about matters agricultural? The nearest approach he ever gets to them is when he scarifies his streets and harrows the feelings and finances of his citizens by the issue and enforcement of tax notices.

I hope I have fallen in among, if not prophets, at least profitable company and the profits of the company will be major ones and not minor ones. I would like to say as far as qualifications for speaking on agricultural matters are concerned I am at least quite as capable, if not more so, than my good friend the mayor of Calgary. And for this obvious reason. Amongst the 27,200 acres that go to make up the city of Edmonton we have large tracts of arable land on which our citizens are still carrying on quite extensive agricultural and stock pursuits, not stock-jobbing.

Principles of Movement Sound

May I say I am very glad to be here. Not that I think I can add very much to your information. It is extremely hard for me to speak after Mr. Wood and to hope to tell you anything. But I am glad of the opportunity at least of demonstrating my interest in, my sympathy with and my faith in the principles of the movement which you represent.

I have that interest because after all even city men are, with a few miserable and negligible exceptions, farmers at heart. The business man immersed in his files and figures, the banker immersed in his bank balances, even the tired cynical lawyer whose nature has become hard and whose outlook on life becomes corrupted because of the close contact his profession gives him with the seamy side of life and human nature, and the more

human doctor, hungers in his heart for a little farm somewhere among the sabine hills where he can run away on off occasions to get rest and where he hopes to repair permanently and forget he ever was a city business man.

After all we are sons of the soil and when we are done and they lower us into the cavity in the soil and the undertaker drops on the lid the handful of clay to emphasize the minister's statement; "earth to earth, ashes to ashes, and dust to dust," they are only putting us back to the broad clean bosom of the mother who bore us. We are all farmers at heart. And so that is our hope in the city.

If Farmer Prospers Urban Population Prospers

But there is another reason I think that city men must be interested in this movement because we realize, what has already been stressed by Mayor Osborne and Mr. Wood, whatever interest concerns and affects the prosperity of agriculture must affect and concern the prosperity of all urban industrial interests. There was a time when we did not recognize that. There was a time when the field and the factory were at feud, when the manufacturer thought the land and the man who cultivated it was a creation of a divine and kindly Providence to furnish his factory with cheap raw material and his human labor with cheap food.

Interrelationship of Industries

If that day has not altogether gone it is going and we are realizing with increasing confidence this fact, that you cannot shut any economic group into a water-tight compartment for it to sink or swim, survive or go under, without raising a single ripple on the placid surface even of the group that is in the next water-tight compartment to it. As you know the groups are organized to a gigantic complex organism bound together and interwoven by an infinite number of fine nerve filaments and capillary veins and in such a fashion that when one organ suffers, as Mayor Osborne has reminded us, the whole body suffers too. Twice in history that truth was enforced by exactly the same thing. Mayor Osborne referred to one. On another occasion over 500 years after, not in connection with the state or used by a statesman, but in connection with the church and used by a great apostle, the same figure of speech was made use of to illustrate the same truth.

That being so we cannot look with unconcern upon any movement, even we who are most immersed in urban matters, that affects the fortunes of our brothers and the interests of our brothers in the country.

I want to say this: I have a faith in your movement because in connection with the truth I have just mentioned there is one particular phase which brings out more than any other the community of interest between city and country. As the mayor of Edmonton I readily recognize this phase of the question. As mayor of a city that boasts of a total of 2.4 people to the acre I realize as perhaps some of you do not that the pressing problem of the city of Edmonton is more population to help to pay our taxes and to help to pay for capital and maintenance expenditures of those great public utilities which ramify into different sections of those 27,200 acres.

Country Should Be Built Up First

I ask myself how is that problem to be met. There have been two arguments used and this is a problem not merely of the cities, especially of my city, but one of the Province and the Dominion, and we ask ourselves how is it to be met? I say there are two arguments used. The first is, build up the cities and furnish for the agriculturist a large home market for his agricultural product. There is something to be said for that. The other proposition; build up the country, increase prosperity among the farming community and multiply their numbers and you will build up a home market for all the industries of the cities.

British Authorities Agree That Canada's Hope is a Prosperous Agriculture

If I make a mistake in taking that view, in believing the most economically physical and scientific method of building up the population of this province is the encouragement of agriculture and the increasing of the prosperity of agriculture, if I err there, I err in exceeding good company because at a meeting held in London, and that is why I have this paper, last May in the Imperial Colonial Institute presided over by the Earl of Clarendon and including in the speakers such men as well versed in Canadian affairs as Sir Gilbert Parker, Sir Hamer Greenwood and Sir George McLaren Brown, our last governor general Baron Byng who familiarized himself with Canadian conditions had this to say in an address: "Canada at Home." "Canada was making good through her basic industry of agriculture and it would be by the development of agriculture alone that chances would be given to the artisan and the professional man." You are not surprised if I believe that as a professional man I am anxious that you fellows should do truly well.

Prominent Canadian Manufacturer's Views

I turn to another authority, a pamphlet publishing an address by Dr. C. V. Corless. He is a university man and perhaps Mr. Wood would give him a crack over the head on that account, but there is worse against him still. He is a director and general manager of the Mond Nickel Company and he gave this address to the Canadian Club of Toronto, far removed from pastures green. In January of 1926, talking of what is called the pre-Cambrian shield, a portion of the country surrounding the Hudson's Bay representing ninety per cent of the east of our western plains, talking of the great economic factor that lay in it by reason of its natural resources, under the title of "Canada's Greatest Present Need" he pointed out that "of all the basic industries arising from the use of natural resources derived from soil, sea, forest and mine, the ultra-basic or foundation industry for a new country was farming." That is the word of a man at the top of one of our biggest manufacturing industries and one who knows the relationship between agriculture and other industries.

If that is true of Canada and of what Dr. Corless calls the pre-Cambrian shield, infinitely more true is it of the western provinces and of Alberta.

Pool's Aim is to Make Agricultural Life Attractive

I come to another reason why I have sympathy and faith in the principles of your movement and that is: You are working to make agriculture a success along normal natural sound economical lines. First for this reason: You are trying to make it attractive. I referred a few moments ago to the population problem. The same movement is worrying some of you as is worrying us in the cities—the exodus of so many of our sons; the fact that the very people that we want to get into Canada we cannot keep. We cannot let them go. We cannot afford to stand by and see Alberta trained men that ought to be building up the industry of this country, whether it be the agricultural industry or urban industry, leaving. Yet we do not seem able to keep them. Why? The very moment an occupation, whether it is in the city or in the country, ceases to be able to keep native sons and daughters, that very moment there is something wrong with the industry, and the first question we have to ask is what is the diagnosis that will tell us what is wrong; and secondly, what are the remedies by which we are to seek to cure it?

The diagnosis is obvious. If that movement is going on so far as agriculture is concerned, if men who you expect to take up the farming industry do not take it up, if your young men who should be following in the footsteps of their fathers do not, it is because the occupation is not sufficiently attractive. That is surely sense. There are three ways in any one of which any occupation may fail to be sufficiently attractive. First, not offering sufficient profits; second, the profits may not be sufficiently certain and constant and secure, too fluctuating and too uncertain. Third, the life it involves may be too dull and monotonous.

Pool Stabilizes Agriculture

If you face these three facts, and believe them in any measure, you explain the lack of attraction which the farming occupation seems to have for those who ought to take it up. The cure is obvious. You have got to make the profits greater and make them less fluctuating and more reliable and do something by way of social and intellectual enjoyment to make the life of the country less dull and monotonous. I understand your movement, whether as its main or side objective, is to work along these three lines to try and effect these three results. If you solve that problem you will have solved the whole population problem of Canada. When your sons stay by the farm, satisfied with the farm life, strangers will clamor at your gates. It is because I believe your movement is working in that direction that I believe in it and wish it every success.

Pool Encourages Healthy Immigration

I believe you are working along the proper lines because you are putting the attraction in the right place. What do I mean by that? I will show you by comparing your aims with the operations of governments in respect to immigration. Do not run away with the idea that I am belittling governmental action in regard to farming because governments can do and have done an enormous amount of good in connection with agricultural industry; but I say if you take the immigration movement on its own feet ask what governments are doing you find this is what they are doing: By lurid advertisements and flamboyant propaganda they are stimulating a desire among peoples not in Canada to come over. That is what the agencies and advertising is for, to stimulate a desire in the minds and hearts of people who otherwise would not have it to come over to Canada. Then they check up all those in whom they have aroused this desire and they say to the goats we do not want you; you are not the kind of immigrant we want and to the sheep they say you are accepted, come in. That is all very well perhaps. What next do they do? They assist by cheap rates and assisted passages those whom they have elected and chosen as proper immigrants to come to Canada. What next? They try and establish machinery for the purpose of securing these people work for 12 months. But do you not see that the emphasis is out there, not in here? The attraction is there, not here. To me the supreme question is if I am an immigrant is not how easily or how cheaply or how pleasantly I can leave my own home and come to Canada, but how easily and cheaply and pleasantly and profitably can I live in Canada when I get there.

I am reminded of a story of a negro who was in a convict prison in the Southern States and a colored friend saw him looking through the bars of his gaol and said: "Jake, are you here for life?" The prisoner looked out and said, "No; just from now on."

Pool Working Along Lines of Self-Help

All that is done by a government so far as I have mapped it has to do with about two weeks passage from Europe to Canada and 12 months in Canada. But what about from then on, I am more concerned with that. It is because your movement, in my belief, is trying to do something for the farmer "from now on" that is, for the biggest part of his life and not for the two weeks he is on the boat or the five days on the C.P.R. or the C.N.R. train or the 12 months he is rustling around to get odd jobs to keep the contract made with the transportation company. I am concerned with the conditions he enters into when he gets here and establishes himself in Canada as a future citizen. I believe you are keeping the attractiveness in the right place and I believe in you because you are working along the line of self-help.

Governments Assist Agriculture

Governments can do a lot and have done a lot to assist agriculture. They can and have by scientific research discovered new varieties of grain

with higher milling qualities, harder grains, grains of earlier maturity, some with greater power of rust resistance and disease. Governments also help you to provide high grade stock to breed from. They do a lot of things all for the betterment of agriculture and the more they do of it the better, but all these things are in the forms of subsidies and can never be justified except on the ground of the peculiar relationships existing between the agricultural industry and the great economic structure of our national life; and it leaves governments open to the same claim from what are said to be equal basic industries in manufacture. There is another reason that makes government assistance unsatisfactory, that is, they depend for their certainty upon the whims of political parties. There is no certainty about it. Here today, gone tomorrow, or modified out of all recognition. Here, exemplified in Wheat Pool, is a principal that tries to keep its mind and hands on the lines of self-help and when we have solved our own problems, as I believe you will in large measure by this movement, then, like Longfellow's blacksmith, you can look the whole world in the face for you owe not any man or any government anything.

Spirit of Co-operation Comes From the West

In the old world and in the old days wisdom was said to have come from the east but after all what is the east? It is only the west that has not gone quite far enough. In this new world and in these new days we do not have to admit that new wisdom comes from the east. The wisdom of this movement has come from the west, from our own province of Alberta. I have not the slightest doubt that in this as in all other things wisdom will be justified by our child. I thank you.



SENATOR W. A. BUCHANAN
Publisher of Lethbridge Herald

For a week past I have been wondering why I was asked to come and address this gathering and particularly in what capacity I was supposed to speak, whether as a citizen of the extreme southern part of the province,

whether as a newspaper publisher, or because I am a member of the Senate of Canada.

The Canadian Senate

Some little emphasis has been placed on that word "Senator" and I trust you will permit me to play on it a little myself. You have had as speakers this afternoon two gentlemen who in their capacities as chief magistrates of Calgary and Edmonton have the position of welcoming people to their cities and giving them the keys of the city and allowing them to do whatever they like. I am told I belong to a body that has been called a political grave-yard. Consequently, what I may say may be interpreted as words of farewell, and if I give you any keys at all it will be keys to some place you will occupy in the days to come.

I am just young enough a member of that body to appreciate some of the jokes that are circulated about it. There is one I heard long before I even thought of sitting there. It was so good that I have always remembered it. It is told of some American tourists who came to Ottawa in the days of the old Parliament Buildings and they visited the Senate Chamber. They were being shown around by a guide and at this particular stage they were in the galleries and were admiring the decoration of the ceilings and walls and they looked down on the floor of the Chamber and they saw what appeared to be statutory. Some looked like white marble and they were admiring these almost perfect figures when one of the figures moved and one of the American visitors said: "My God, they are alive, are they?"

Senate Passes Grain Amendments

As to whether the Senate is alive now that I am in it or not I would not like to say, but I might just say that I went into the Senate in 1925 sat there for the first time in 1926 and the only measure affecting the Wheat Pool, the operations of co-operative marketing organizations on the western prairies, came up at the time I entered that body and it may surprise you to know that while there were some expressions of opposition to the measure, I am referring to the amendments to the Grain Act which were considered of importance to the Wheat Pools, it passed without a division. It was recognized that the public of the western provinces wanted it and they looked for that measure to go through the Senate body without any doubt, and through the Senate it went.

Pool Stabilizes Agriculture

As to the Wheat Pool itself. What can I say for it as a citizen of southern Alberta? I recall that for many years I used to travel over the greater section of the wheat growing area in the fall of the year. I realized that the farmers were put in a desperate position, at least the larger proportion of them. They were getting their total income in one payment. In the intervening months of the year they had to carry themselves largely, in the case of many, by way of credit and they were in the position of going upon their knees before the interests they had to deal with in seeking credit, and I felt it was a most unhappy position for the farmer, and I still think so. I believe that this Pool movement is a creation of value and that it has done a great deal to stabilize agriculture in this province and to provide a means of orderly marketing and to give to the farmers a chance to receive a revenue from their crops in an orderly and regular way throughout the year instead of being paid at the beginning of the season.

Prior to Pool Many Farmers Forced to Sell

I say it was an unhappy position for the farmers to feel they were being forced by reason of their debts to go upon the market and sell their grain almost as soon as it was cut and threshed because they had their creditors pressing them and they had to keep their operations going. Later on in the year they found that prices were better and they became disappointed because they had been forced to sell their product when prices were low.

Through Pool Farmers Benefit If Prices Rise

In my judgment the Wheat Pool aims to correct that fault. The Wheat Pool gives you the opportunity to take advantage of the movement of prices. You feel that when you dispose of your grain in the fall of the year you are not going to get possibly the price paid at that moment but you are going to get a price based on an equalization of the price throughout a long period and that brings satisfaction, I hope, to the farmers of this province.

Pool Places Farmers in Sound Business Position

In another respect I look upon the Pool movement as highly satisfactory because it puts the farmer in more or less of a sound business position, it makes him feel he is operating in a manner that is somewhat related to the methods adopted by the large business interests of the country. If anything is going to encourage the young man to stay on the farm, which has been an acute problem for many years, it is to make farming more profitable and business like and when that is done he will be attracted to remain on the farm rather than run away from it. It should be the desire of every business and financial man in this Province and Dominion to approve of every movement that tends in the direction of stabilizing agriculture and making life on the farm happy and more profitable.

Success of Dominion Depends Upon Agriculture

It has been said time and again, and it is as true today as in all times, that the success of this Dominion and particularly that of the western provinces is dependent almost wholly upon agriculture, and I cannot understand any business man in any community, in this or in any other province, not being wholeheartedly behind these movements that are going to improve the condition of agriculture and improve the business conditions generally throughout the country. We who live in the cities and towns know how much we are concerned about crop conditions from the opening of the season until the close, and how much we should be concerned about the price the farmer of the district gets for his product. It should be our desire to support whole heartedly any policy that aims to bring into the pockets of the farmers more money. I believe that is the purpose of the Wheat Pool and I believe it is succeeding in that purpose and I am in support of the Pool in its objective in that direction because it is an advantage to me as a business man and to the whole of the province.

Co-operative Movement Begins in East

You have concentrated upon marketing and it is important to get the fullest profit possible from the marketing of your grain. May I say there is a difference between the marketing of farm produce in these western prairies than those of the older provinces and states. In Ontario the farmer's operations are more diversified than yours. He has his small fields of different grains, livestock and root crops and orchard. Many of these products go on the market at different periods and he is getting more or less of a steady revenue throughout the year. But in this western country it is different because we are centering our efforts upon one crop and it was being produced and marketed at one time and there was the necessity for some method of marketing it that would give the farmer the very best possible price and get a revenue that ran over the year rather than coming into his possession at one period. Eastern Canada, if it appreciates the position of the west, will be strongly in favor of this co-operative marketing movement on the western plains. The movement is starting in the east in smaller ways than the one that exists here and they appreciate its value.

We Must Pay Attention to Production

May I speak for one moment on a matter that is related to marketing and production. Every farmer wants to operate his farm as profitably as possible. I would say to you do not overlook production and the reduction of the cost of production. I understand from reading that in many of the states of the American Union and Australia and other grain countries considerable attention is being paid to production costs; to cutting down these costs to a level where the farmer can make more money. If these other countries do that they naturally become more important competitors of the Wheat Pools in the markets of the world. When we are thinking of marketing we must not overlook the production end of farming and endeavor to cut down our costs in order that we may compete on the markets of the world with the countries that are paying particular attention to production.

Scotch Characteristics

Mr. Wood in referring to some of the criticisms of the Wheat Pool mentioned a Scottish miller who was somewhat critical of the Wheat Pool and its operations on account of having to pay more for his wheat. I do not think Mr. Wood has any Scotch blood in his veins. I have, and I have a Scottish name and I know some of the characteristics of the Scotch race. I would not worry at all about the view of a Scotch miller in regard to high prices. If there ever was a Scotch miller that was in favor of high prices I have not heard of him. He is looking for the lowest price. I read about a man who went into the office of a dentist in Scotland and asked to have a tooth removed. The dentist said he could not remove the tooth without chloroform because he did not think his patient could stand the pain. That was done and when the patient came out of the chloroform he found not only one tooth had been taken out but every tooth in his head. Naturally he protested, and asked the reason why. The dentist said: "I did not want to waste the chloroform." That illustrates the attitude of the Scotch people towards everything, I suppose. In many respects it is a good attitude because the characteristics of the Scotch have done much to make this country. I would not be much concerned about the views of the Scotch miller in regard to prices for grain.

Pool Rendering a National Service

It is to the advantage of Canada at large that we should get the best results financially from our farming operations. The Wheat Pool tends to satisfy the farmers of this country and add to their contentment and satisfaction in their life on the farms and is rendering a great service to western Canada and the Dominion and the Empire at large. I say, as a business man and as a public man, you have my hearty wishes for the welfare of your movement, because I believe it is rendering a national service.



C. O. SMITH
Editor of Calgary Herald

I am not standing here today in that doubt which Mr. Buchanan spoke of respecting himself. I realize I am here as the representative of the Calgary Herald, a paper which has taken a very great interest not only in the formation of the Wheat Pool originally, but in the success which that great organization has attained in the years intervening since 1923.

Array of Agricultural Talent

I was interested in looking over the programme prepared for your entertainment and edification by the committee in charge, and I have been a bit curious in trying to estimate what influenced those who formed this programme to choose the eminent authorities upon agriculture that they have. For instance the mayor of Calgary and the mayor of Edmonton have great claims upon your attention as authorities upon agricultural problems! I hope in the course of my brief remarks to steer clear of the grievous error they both made in referring to agriculture and industry. Then you have Mr. Wood as a farmer and as an expert upon the economics of farming; Senator Buchanan a newspaper publisher and myself a newspaper publisher. Then you have Premier Brownlee who is engaged in politics and in law; Premier Gardiner who has been both a teacher and a farmer and has practical knowledge of farming. Then you conclude with that most esteemed and eminent of all agriculturalists, Mr. R. B. Bennett.

Farm Experts!

I noticed that Mayor Bury questioned his qualification to speak upon the subject of the Wheat Pool or any matters pertaining to agriculture. He also spoke of that desire which lies in the heart of the city man to possess a farm lying amidst Sabine hills where he might unprofitably spend the money he has made in the city.

I am going to do what both Mr. Buchanan and Mr. Bury did, and probably others who spoke, tell a little story which this particular reference of Mr. Bury's recalls to mind. We have had in the profession of journalism

on this continent a man most distinguished in the person of Horace Greeley. When he made some money on the New York Tribune, which he founded, that rambling urge affected him and he felt his life would not be complete unless he bought a farm and enjoyed all the years of his life thereon. And so he bought a farm and after some years of spending money he was making on his paper upon the farm he wrote a book which he called a book of instruction to farmers. At that time it was not a common thing for a city man to turn attention to agriculture and his book received a great deal of attention. He received many letters and among them was one from a young western farmer saying: "Will you please tell me if I should put manure on potatoes?" He got a letter back saying: "Some people may do that but I prefer gravy."

If I should make a slip in giving you any advice respecting your living or your future life I am sure you will agree that I at least am in most distinguished journalistic company.

Dr. McGill and the Wheat Pool

We recently had in Calgary a distinguished guest in the person of Dr. McGill who made certain references to the grain trade. May I pay a tribute to him that in handling a difficult and delicate situation he did so with the utmost good taste. Yet it was plain in all of his talk that he was presenting the case in favor of the old method of handling grain and against this new method, which he did not allow is new, of handling grain through a Wheat Pool. He spoke of the simplicity of the organization of the Grain Exchange, and in this province there would be few to combat the arguments which he adduced. At the same time he himself must admit and undoubtedly as he has given thought to the formation of the Wheat Pool he will admit that the creation of the Wheat Pool has been in all essentials equally as simple a matter as the creation of the Grain Exchange.

Simplicity of Pool Plan

It was one of the simplest developments of which I have had any experience in my entire life. It was simply this: Here was a large body of men producing the product upon which their happiness and that of their wives and families rested, upon which the education of their children and everything that would contribute to make them contented and to make a success of life; here we had these men producing this product and selling it through a certain avenue of trade. Upon a certain day these men said to themselves we are not satisfied with the service that has been rendered by the organizations that we have dealt with in the past and we propose to have a new method and we are going to create a new process for handling grain. We will deal with our own product in a different way through our own chosen servants and officials. That is all the Wheat Pool is. It is as simple a thing as if I were to say that having bought my meat from the butcher that I have dealt with for five years I am not satisfied with his delivery. I have no kick against him; he runs his business in his own way but I am not satisfied with the quality of the service and I change my butcher; or it is as simple as if I do not like the hour at which my milkman delivers the milk and I make other arrangements. These farmers depending for their service, their livelihood, upon the wheat they produced, were not satisfied with the service that had been rendered and they proposed to secure that service in a different way. That is the simplicity of the Wheat Pool movement.

Wheat Pool Has Operated Successfully for Four Years

So these men in 1923 started about organizing a Wheat Pool and at the time they did so there was great enthusiasm, great wonder at the experiment which was about to be undertaken, and it was an experiment. When you think of 20,000 farmers all entering upon it, knowing nothing whatever, in a positive way, as to the outcome, as to whether it would be a

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success of a failure you can see that it was an experiment. After the years that have been devoted to the successful operation of the Wheat Pool, in the opinion of so many, who will say that at least the present experiment not more, will not again join the Pool?

Wheat Pool No Longer an Experiment

It is not an experiment today either from the point of view of success or failure. No one, even those opposed to it, can say it is an experiment today. It has done definite things by which it can be judged and estimated and you who have been in it yourselves, or others who have not yet gone into it, can easily see what the Pool has done. You can hear all the arguments of the most expert and skilled men opposed to it, and can answer by showing that it is a good thing to be in and to stay in. Whether or not the Pool goes to wait another five years of operation depends completely upon the farmers, not upon the advice of newspaper men, lawyers or political leaders. It depends on the farmers themselves and their families. Every farmer who has land on which he has wheat growing has a duty to go on to perform of standing at home and thinking these things out for himself and reaching a decision in his own mind and heart as to whether he will go into the Pool or not, and it is his duty and responsibility to come to that decision and if he believes it is a good thing for him, that it is his duty he needs to go. If it is a good thing for his family he will go into it. If he feels it is a bad thing, and if he believes the arguments against the Pool, and that they have any substance in them, and he comes to the conclusion that it is not wise for him to go into the Pool, that is completely his own business.

No Quarrel Between Pool and Grain Trade

I cannot see that there is any quarrel between the Wheat Pool group and the old established Grain Trade group. The old group cannot do the business and serve the people if they can give better service to the growing public than the Wheat Pool, and if the Wheat Pool can better satisfy its members the Wheat Pool will go on to greater needs.

Pool Great Advertisement to Alberta

The Alberta Pool has been a great advertisement to this province. I have been spoken of all over the world. It has been discussed in the newspapers everywhere. I have a clipping from one of the great British dailies which speaks of the enormous size to which the Pool has grown and of its influence and the fact that it has reached such a state of importance that it is being discussed in the higher political circles of Great Britain.

Wheat Pool Has Great Responsibility to Province and to Members

The Wheat Pool, assuming it will carry on as I do, owes a great responsibility to this province of Alberta that it shall so conduct its affairs as to remain permanently a credit to the good name of Alberta from the point of view of not only business sagacity but business honor, that there shall be no radical movements, no hasty movements entered into that might lead to disaster, that the officers have a responsibility to this province, that I shall maintain the good name of the province. But the Pool has another responsibility - the responsibility to the men who have placed their wheat work in the hands of the Pool. That is the greatest of all responsibilities, one of trust. It is the same responsibility that the Royal Trust Co. or the Union Trust Co. or any other trust company bears to the public who have their money in its care that that money shall be invested wisely and be cared for as a sacred trust and that nothing shall be done by those in charge of it to destroy or lessen the value of the funds placed in their care.

Alberta Pool Well Managed

I went east a few weeks ago and travelled in the company of a Winnipeg business man who has had considerable interests in grain matters. Speaking of the Pool, he said: "Of course the Pool will not last; it is bound

to play out." I asked why. "It has been the history of all these co-operative movements," he said, "that they bring the farmers in and they make mistakes that men trained technically in business would not make." I asked if he had gone into the history of the Alberta Pool. I spoke only of it because I have not been in touch with the others. I asked if he knew how the Alberta Pool had operated in that particular respect, and he said no. I told him that the Pool did not bring men into positions of a highly technical nature because they were wheat growers, who would be liable to make mistakes and thus injure the Pool. Instead they obtained the services of men trained specifically in the particular work for which they were wanted. I personally give the members of the Alberta Pool Board credit that they carefully surveyed the territory and chose the best technical men they could secure for these technical jobs of which this man spoke.

Should Not Over-Emphasize Price

A good deal has been said, and naturally you will hear a good deal, about the question of prices in relation to the Pool. Far be it from me, even if I had the knowledge of agriculture that Greeley had, to presume to discuss prices secured by the Pool or secured by the established Grain Trade. My interest in the Pool has been along the lines to which Senator Buchanan and others have spoken, the psychological phase of the Wheat Pool movement, and if I presumed to criticize Mr. Wood or any other member of the Wheat Pool I would do so on this basis, that they have emphasized and dilated at great length comparatively upon the prices established by the Pool movement as against the psychological factor. Here we have a very large body of men producing wheat, depending upon wheat in the way I have spoken, not satisfied, for reasons I will not go into, with the price at which they were delivering their wheat to market who set about to undertake a new development. If the word evolution is not the right word it is the one I would use. These men who have gone into this new development of marketing, a great proportion of them are satisfied in a way they were not satisfied before because they are dealing with their own wheat, through their own men, in a way they themselves have chosen and there has been produced contentment in this province that was not in evidence before.

I regard it as one of the great contributions which the Wheat Pool movement has made to life in this province and I trust most sincerely that no mistake will be made, and I am not suggesting any will be made, but I hope that every, even Divine, influence that can be brought to bear upon the minds of the men guiding this institution, those who are in charge of its affairs, that the service of all those whether members of the Pool or not and their families may be augmented by the work of this organization.

Bankers and Merchants Believe in Pool

Something has been said about the opinion of the bankers and business and professional men respecting the operations of the Pool. It is not by chance that such a general feeling of confidence in the Pool has been established. It is not by chance that that has come about. Bankers are hard headed men, trained to watch carefully every development of the affairs, financial and industrial, of life in this country and I have yet to meet (and I meet many) one banker who has condemned the Wheat Pool movement. On the other hand, I have met many who have said that apart altogether from what the Pool may mean in price to those consigning their wheat to it, the Pool by its method of operation, by spreading the payments over the year for the wheat in the way which is done, has made a definite contribution to the stability of life in this province. Merchants I have talked to say the same thing.

Pool Need Not Fear Attacks of Enemies

I would appeal that the Pool should go on exercising itself to its best ability utilizing it in the very best way possible to increase the comfort

and service and prosperity of the people of this province; that there is not of necessity an argument or quarrel between the Pool and those who prefer other organizations to deal with their wheat in any other way. We all live in this province and perhaps cannot see eye to eye on everything, but if there was reason for the formation of the Pool some years ago, in the opinion of so many I have talked to, there is assuredly a greater reason today why those who have been in the Pool should remain in the Pool. Personally, I believe that the stronger the attack that is made upon the Pool, the stronger will be the response to it by those in the Pool and that the future of the Pool will be bound to be secured when the sign-up you are now about to engage in is completed. Thank you.



HON. J. E. BROWNLEE
Premier of Alberta

It occurred to me this evening as I stood in the ante room looking over those who would be on the platform this evening that a casual observer coming into this hall and knowing the names and affiliations of those before you might come to the conclusion that we were trying to stage a sort of 1927 duplicate of the Fathers of Confederation, gathered together for the purpose of solving another of the great political social and economical problems of Canada. I am sure that each of the gentlemen will share this view, however, that we hardly compare ourselves with the distinguished gathering that appeared at the time of confederation because we all feel that it is doubtful if Canada will see gathered together again at one time the ability that was gathered together in Canada when the country was brought into Confederation.

Pool Meetings in 1923 Important Historical Gatherings

It is a great pleasure to me this evening to associate myself with this meeting, which as I understand is a continuation of other meetings you have been holding for the last three days, and which I believe to be no less

important than the meetings that have taken place throughout the province and particularly the first meetings of 1923 when the Wheat Pool was first brought into being. I think possibly when the history of Alberta comes to be written some years hence it will be said that those meetings of 1923 were probably the most important ones held within this province. I believe the meetings you have been holding for the past few days are hardly less important and because, as I understand it, you have been making a survey of the situation and have been gathering together your strength just preliminary to another drive for a sign-up of another series of contracts and a continuation of the Pool for another period.

Marvellous Growth of Pool Movement

It has often occurred to me in the last year that as one looks back over the past four years to the formation of the Alberta Wheat Pool, and in subsequent years the formation of the Saskatchewan and Manitoba Pools, and then the consummation of the union of these Pools through the Central Selling Agency, and witness the gigantic proportion which these organizations have assumed that it is little short of marvellous to consider what has been done and almost goes beyond the bounds of human belief. Now you come to the time when after a period of four years of actual business administration the Wheat Pools are submitting that administration to the great jury of farmers of the three western provinces. Those farmers will say from the lesson of their own experience primarily whether that great experiment, the Wheat Pool, is to be continued for another term of years.

Confident That Pool Will Succeed

I come before you this evening with first a message of confidence. I know that we would be bold in these days of rather sudden changes to say with any degree of certainty what the people of a community might do, and yet it does appear to me, if I may speak from the vantage point that comes to those who are in charge of the administration of the province and therefore more or less in touch with the sentiment of the people throughout the province, that if there were any grave signs that the membership of the Wheat Pool was not satisfied with what had been done in the past four years there would be some visible demonstration of it. And yet, speaking from that vantage point to which I have referred, I come to you tonight with this first message, that so far as my experience goes at least, and that of those with whom I have come in contact throughout the province, I have yet to find the first sign of any dissatisfaction, or that the membership is not satisfied. My feeling tonight is that you face the campaign with the utmost confidence and that the farmers of the province will rally to the support of the organization and in the next five years the membership will be as great if not greater than it has been during the past five years.

Alberta Government Wishes Pool Well

So I leave that message with you and add to it another message, speaking very briefly both for myself and my colleagues in Edmonton. We bring to you a message of good-will and cheer, and we extend to you our most sincere wishes that you should have a successful campaign. We wish to express tonight our very great desire that the sign-up shall be a success in every way and that the Wheat Pool may continue to function for another period as it has in the past.

I have been told by those who have been addressing Wheat Pool meetings in the western provinces that persons who speak today to an assembly of representatives of the people should not deal in generalities, that the farmers wish to discuss matters of business detail and that the day has past when any appeal may be made in a purely general terms. At some risk, I am coming to you tonight with a somewhat general message. I am not going to attempt to discuss any of the technical questions pertaining to the

management of the Pool, but I wish to lay before you three or four reasons which have led me personally to the conviction that the Wheat Pool has filled a very important place in the economic life of Alberta, and leads me to express the earnest hope that it will be continued in the next five years.

Pool Will Assist in Lifting Agriculture to Rightful Place

The first reason is because I believe it has demonstrated in the past four years that it has made, and can still make, a very substantial contribution to the solution of a fundamental question, fundamental to this province, to western Canada and I believe to practically every country in the world that depends largely on agriculture as its mainstay. That problem is how we are to keep the farmer on the land, stop the movement of the farmer from the land to the city, how we are going to lift the industry of agriculture to that place which it should hold in comparison with the other industries of the world.

Farmer Entitled to Cost Plus a Profit

No one can gainsay the right of the man who is in the industry of agriculture, not only occasionally but practically continuously, the right to derive from the fruits of his labor the cost of production plus a profit adequate to the work and labor which he performs in carrying on that industry.

I conceive that to be the fundamental problem of western Canada. I did not follow all the addresses today, but I read in the press tonight a report of the speech delivered by Mayor Bury of Edmonton, and he said in words I will not attempt to duplicate, what is after all a well acknowledged fact, that western Canada does depend upon agriculture. I say that we cannot grapple with any more fundamental question than that one question—how are we going to bring the industry of agriculture to the place where it returns to its members the cost of production plus a fair and substantial profit commensurate with the labor performed?

Wheat Growing Still World's Primary Industry

That is not a problem peculiar to western Canada. When I was in the United States at the International Wheat Pool Conference I noticed a few days before that conference there had been a conference at Washington of the business men of the United States and one of the many subjects before them was a discussion on that very question. It is significant that about the same time there was a great conference at Rome, an economic conference, and in the reports given out to the daily press it is to be noted that the primary platform of the conference was that the raising of wheat was still the chief and primary occupation and industry of the world and that to those engaged in the growing of wheat there should be returned the cost of production plus an adequate profit.

Countries Must Co-operate to Raise Standard of Agriculture

This problem, I say, is not peculiar to western Canada but is international in scope and before I conclude what I have to say I shall advance the theory that it is a problem that cannot be solved by any one people working alone but only as we have the peoples of the different agricultural countries working together for the purpose of raising the standard of those engaged in the industry of agriculture.

Many Improvements in Past Few Decades

If we look at it from the standpoint of outward appearances in the last decade conditions have been made more favorable for agriculture than ever before. I know that the development of electrical appliances have added to the comfort of the home, that the development of the automobile has broken down the isolation that existed in the great spaces of the prairie provinces, that the development of modern highways systems has served to bring the country places very close to the cities so

that what was formerly an isolated field may today be a suburb of one of our cities. The radio and cinema too have made their contribution. Education in the rural districts has been brought almost to the level of the educational facilities of our cities and the introduction of machinery has done away with much of the drudgery formerly associated with the industry of agriculture.

Firstly then, it would seem that the time is ripe that the industry of agriculture should be one of the most desirable in the world, but we find the same drift taking place from the farm to the city. In trying to get at the cause of it we know it is because agriculture has not been placed on a parity with other industries.

The question that confronts us is this: has the Wheat Pool since its inception made a contribution in the solution of that problem? And because I answer that question very firmly in the affirmative I came tonight and make my plea for the continuation of that great organization.

Alberta Farmers Handicapped By Long Freight Haul to Markets

The farmers of western Canada, and particularly Alberta, in trying to work out the solution of that problem have been faced with a handicap which has not prevailed among agricultural peoples of other parts of the world because we have been in the position where we have had to run down a long thin line of steel to the Great Lakes and across water to the European countries for a market for our products. We have a longer freight haul and freight bill, and also a higher freight bill on the goods we buy, and, so in competition with the farmers of the world selling on the same markets, the farmers of this province have had that handicap that they had greater overhead expenses than those of our neighboring provinces and Canada generally.

Agricultural Functions of Governments

Governments may do something to relieve a condition of that kind. I agree with Mayor Bury that if we wish to improve the industry of agriculture we have to place it on a more scientific basis, and that the function of governments is to assist in the building up of the science of agriculture by demonstration farms, research work, to ascertain the best kinds of grains from experiments such as the Research Council of Canada have been carrying out, and which has made substantial progress in combating rust problems. We may even help to furnish the sinews of the industry in the shape of cheap money. Yes, they may do still more. At a meeting of the Manufacturers' Association the other night I advocated that I believed it was a proper function of government today to develop trading agencies to help the farmers to find markets for their produce. I think we have not done all we can do along that line in Canada, but when governments have done that much they have done all they can, and then it is left to the farmers themselves to demonstrate what they can do by building up marketing facilities.

Precarious Position of Farmers Prior to 1923

We know of the conditions in Alberta prior to the inception of the Wheat Pool. It is not for me to bring to your memories the financial condition of the farmers of this province before, during and after the war; it is not for me to bring to your memories the condition of credit. I may safely say perhaps that the financial condition of the farmers of the province was not good. Also that there was a very uncertain credit situation facing us, and, again referring to a statement I made before the Manufacturers Association, if we can see any good thing I am not so sure but what the war did make a contribution in helping us to work out some of the problems that did exist.

Conditions Now Greatly Changed

What was the condition that confronted the farmers when the Wheat Pool was created? May I say as one who has studied provincial conditions that I believe that condition has all been changed. Today we note a very material increase in the prosperity of our people, but it is not that so much as it is the betterment of what I may call fundamental conditions that prevail today when I see the contribution made by the Wheat Pool.

Farmer Now Finances on Crop of Last Year Instead of on Crop to Come

For example, credit. There is no doubt that the credit situation so far as the province is concerned is better than it was, and in seeking to find just what are some of the causes for that change it is interesting to note the commendation made by those who should be in a position to offer an opinion. We go to the business men of the province, the financial institutions, and ask them what has been the chief contributing cause in the improvement of the economic condition of the farmers of western Canada since 1923, and it is remarkable with what unanimity you receive the reply that it is because of the contribution made by the Wheat Pool. I do not think I am breaking faith when I quote from the president of one of the largest and most important financial institutions in Canada when at a lunch in Montreal recently he said to me that the greatest economic change, almost revolution, that had taken place for some time in western Canada was that brought about by the Wheat Pool in bringing the farmer today to the position where he finances on last year's crop and not on the crop to come.

That may sound like a very simple statement but the more you think over it the more you see just the far reaching importance of that statement. The change was brought about by the system of deferred payments of the Wheat Pool; the farmers are financing on last year's crop and not financing on the crop which is to come. Therefore, they are in a better position than before.

Pool Has Changed Economic Situation in Alberta

That is my first point. My first conviction is that in the solution of the great fundamental problem of western Canada, the Wheat Pool has made a notable contribution because it has been a large contributing factor in changing the economic situation of the province. May I hasten to say that I do not for a moment suggest the Wheat Pool has been the only factor. I am quite prepared to accept the statement that if there had not been a Wheat Pool that the situation of Canada would have improved. But after making every allowance there comes to me more and more the belief that an organization that has brought together the farmers of the province into its fold and placed the sale of the grain on such a basis that it has done away with one of the two anxieties of Alberta. The first, the weather conditions, and the second, when and how the crop is going to be marketed and the price to be obtained. Doing away with one of these anxieties, giving the system of deferred payment, changing the economic status of the farmers, it has made a notable contribution to the solution of that problem.

Arguments Against Pool Not Impressive

May I say just here that I do not think we should be over-impressed with the argument of those who say that the Wheat Pool itself has not served to bring a higher price than is being paid to the other agriculturists not in the Pool. We know that is one of the chief arguments used against the Wheat Pool today. You have had placed before you through the press and over the radio an analysis of the closing cash price throughout the year on the Winnipeg Grain Exchange, presumably to try and show the average price the year through was larger than the final price paid by the Wheat Pool to its members.

Price Arguments of Grain Dealers Fallacious

No one who has had the most casual acquaintanceship with the operations of the Winnipeg Grain Exchange, and I do not say this in a critical manner, knows that that is not a sound basis upon which to judge the success of the Wheat Pool. Because surely in working out an average price you must know how much grain is being sold in any one month; because if you have 75 per cent or 60 per cent crop marketed in the fall and another period of the year, when prices are high, you have a small percentage marketed you are not getting a fair average of what the farmer outside the Pool is getting by going over the year and dividing on the basis of 365 days, or whatever the number of days might be, and saying here is the average price. It is a most fallacious argument, but even if it were true I say to those who are opposed to the Wheat Pool why put the onus of proof on the Wheat Pool? The very fact that you have an organization composed exclusively of farmers, operated for their benefit, returning to them every dollar that is received from the sale of the wheat exclusive of the cost of operation, is proof that the Pool has made a notable contribution. It seems to me, that the onus of proof is on the other side, and that we should say to the farmers of Alberta unless those who are opposed to you can help you to demonstrate to a finality that those outside the Pool have received a substantially better price than those inside you are entitled to say to them chose the organization which has operated exclusively for your benefit.

Pool Logical Outcome of Twenty-five Years Development

That brings me to my second point, that I desire to see the Pool continued because it is the logical and sane development of the farmers' organizations that has taken place in the province in the last twenty-five years. There are those who are tempted to view the Wheat Pool as something put down artificially without any background or history, something operating quite apart and entirely distinct from the history of farmers' organizations of the past.

I am not going to weary you with any detailed examination of the history of the farmers' movements more than to point out to you that they started in this province by the formation of small co-operatives. The next movement was the formation of the large elevator companies known first of all as the Alberta Farmers' Co-operative Elevator Company, subsequently merged into the United Grain Growers. I am not going into the question of the part played by these organizations. I am of the opinion that the farmers during that period had learned a few very homely lessons and that they then laid the basis for the movement which is before the people today in the shape of the Wheat Pool. I believe they learned at that time the important lesson that no person is so much interested in the welfare of the farmer and the sale of his commodities as he is himself.

Men in Grain Trade Work for Own Interest

I have never in a discussion of the Wheat Pool made any attack upon the Grain Trade so far as individuals are concerned. I would be prepared to state tonight that in the development of the grain marketing facilities of Canada the Grain Trade has played a good part and they have built up an admirable machine. We have in the Grain Trade today many admirable and conscientious and sincere men. Some in time gone by we have looked to with a great deal of confidence, but after all it is a system of marketing.

When we hear the argument that the interests of these men are the same as those of the farmers I cannot see how it is possible. They are working for their own interest by quick turnover and by selling at a larger margin than they buy, and it seems to me a fundamental fact that machinery which operates on that basis cannot be the same as far as interests are concerned as an organization operating from the viewpoint of the producers handling their own product entirely in their own interests and bringing back to them every dollar.

Nothing Mysterious About Grain Trade

It seems to me, another fundamental lesson learned was that there is nothing mysterious in the Grain Trade and that the farmer could engage the skilled help necessary for the marketing of his products and bring it to his self interest instead of having it operating against his interest. It seems to me, that it has been demonstrated that these farmer organizations did play a very vital part in improving the position of the farmer in the sale of his product because after all if you look back into the years when these organizations were formed you will find they had very much the same fight as the Wheat Pool had. There was the same argument then as now, and we know that before they were organized the spread in the price of wheat was very much greater than when these organizations came into being. In any event these organizations played their part and during that long period of years from the time of the formation of the first co-operative down to 1923 the farmers of the province were learning what could be done by organization and from practical experience the difference in their position when they were organized as a group of men and organized as individuals only.

Individual Farmer in Hopeless Position

I used to practice law before I was so unfortunate as to go into public life. At that time it was my privilege to act for a large number of farmers. I came into contact with them when they were wrestling with the problem of marketing wheat. Many a time did I consider how hopeless was the individual when he was acting as an individual and before he became allied with any of the great organizations. He was in no better position than a gambler on the market. While I do not know a great deal about wheat, possibly I am as familiar with markets and the marketing of wheat as the most of those within the sound of my voice excepting some of the distinguished men on the platform and I know the hopeless position I would be in if I attempted to operate on the markets of the world.

That was the position of the individual but all of this time the lesson was going on and when the time came, and as a result of the economic conditions of the province, there came the demand that the next step should be taken, and not only should the farmers operate their own organizations for the actual handling of the wheat, but the next step should be taken and they should handle the actual export and sale of wheat. It was simply the logical development of the education of the farmers that had been going on for 20 years in this province.

We know that in this province there had been a great deal of discussion and much said of what had been done in the United States in the formation of co-operatives there, and in the lessons taught by some of the brilliant Americans who were students, and it ended in 1923 in bringing to a definite focal point the teachings of these missionaries—the idea that had gradually been forming that the time was ripe to take the next step forward and building on their long experience of managing the handling facilities they should go into the export and sale of the product which they were raising.

Farmers Will Never Go Back to Old System

It was but a natural development and today if I am convinced of any one thing it is this that even if in the course of five or ten years it should be demonstrated there is a better method of selling wheat than now followed I am convinced that the farmers of western Canada will never go back to the system where the handling and sale and marketing of their product is conducted by those other than themselves or at least not in any great proportion.

I believe, profiting by the lessons they have learned, they will go on seeking to provide other machinery for the sale and export of their wheat and that they will not go back to the old system.

Considering the Wheat Pool as an organization that fits naturally into the history of the farmers' movements we face the question this evening, have there been any arguments raised in the last two years which should cause any member any hesitation in renewing his contract with the Pool? I believe there are those on the platform tonight that will discuss that question in some detail and I will not spend a great deal of time on it.

Pool Owned and Controlled By Farmers

I referred to one argument—the price that has been returned by the Pool. I have pointed out that fundamentally we have the answer to the argument that there is nothing new in the Wheat Pool movement. I listened in Edmonton to a gentleman speaking on behalf of the Grain Trade, and for whom I have a sincere admiration, and the greater part of his argument was taken up in trying to prove there was nothing new in the Wheat Pool movement and that the Wheat Pool used the facilities of the Winnipeg Grain Exchange and the machinery was similar to that used in the past. He failed, however, to point out some fundamental differences. The Pool plan is new to this extent that it is an organization controlled and owned by farmers acting in their own interests. It has a board of directors who control the administration of the Pool. The members of the board are farmers themselves, and not persons whose interests cannot be identical with those of the farmers.

Pool's Returns Satisfactory

There you have the answer to many of the arguments. I think that again we come back to practical experience and when we try to get the answer we simply say that for a period of four years the Wheat Pool has been operating in competition with the Grain Trade of Canada. During this time the combined influence of the Grain Trade was arrayed against it and every effort was made to render the market unstable, everything done to discourage the Pool's operations. Yet when we take a certain viewpoint and get away from the idea that because John Smith on one day in the four years could have got a higher price for his wheat than Sam Brown, we have today the unfailing proof that the Pool's returns compare very favorably with the returns received by non-Pool farmers. The people of Alberta, speaking from the viewpoint of their own experience, I believe, can say that the Wheat Pool has proved to be a good and substantial craft upon which to sail when we chart the rather troubled seas of the marketing of the wheat of western Canada.

Co-operative Marketing a World Movement

The second reason why I believe in the Wheat Pool is because it is in sympathy with a movement that is taking place and gathering force throughout the world today. Co-operative marketing is not a new thing but it is the accepted fact in Canada, U.S.A., Australia and other countries.

We know what is being done in Canada. When I was in the U.S.A. I took occasion to enquire from those who were familiar with the history of co-operative marketing if there was any evidence that as a system of marketing it was failing and not holding its own. Among others I discussed the question with a gentleman, the editor of one of the big farm weeklies, a man whom I believe to be as conversant with co-operative marketing in the U.S.A. as anyone. I put the plain question to him: "Looking over the U.S.A. as a whole what is your answer to this question: is co-operative marketing gaining ground or failing?" His answer to me, in no uncertain tones, was that in number of members, in the value of commodities handled, in the size of the organizations, it was undoubtedly a fact that co-operative marketing was gaining ground every year and he made the prediction that within twenty years or a short generation the U.S.A. would practically be

a 100% co-operative marketing country. Then, we hear the Grain Trade say that in Alberta the Wheat Pools have not functioned properly. At the International Conference there were delegates from the Wheat Pools of Australia. I talked to one of the delegates in Edmonton, one who had been in the Government of one of the Australian states, and his answer to my question was that the Wheat Pools of Australia were developing and that, thanks to the work that had been done by the delegates from Canada who were there last year, they would handle a greater percentage of the total crop of Australia and the membership would be greater.

So I say we find that this is part of a movement which is gathering strength and tested over a period of years and if they were not sound it would not be developing today after so long an experience. There are concerns today which have become large organizations in the U.S.A. Some have had a period of diversity but we believe there is a change taking place and there is a renewed interest.

Wheat Pool a World Movement

Finally my reason for supporting the Wheat Pool in the new sign-up is that if we believe that the solution of the economic problem, with which I started my address, is one of the fundamental questions before the world today and that solution can not be brought about by any one people working separately but only by united efforts of different people. I see in the Wheat Pool a movement that is working to an international movement looking to the membership of the industry of agriculture throughout the world. A chain is no stronger than its weakest link, and no matter how far we may educate or how big the contribution made by governments to the scientific development of agriculture, or the degree of contribution made through your marketing organizations, because you are selling in the markets of the world in competition with the countries of the world you must take a world-wide point of view. Just so long as you have people in Argentina who are living on a much lower standard of life than our own who are prepared to sell their commodity in competition with yourselves not only on the basis of a much lower price of production but also under a much less scientific system of marketing, so long will the farmer of Alberta suffer. That is a fact, and I believe that that condition of affairs cannot be solved by individual farmers in any one country. I believe that what has been done in Alberta in the last four years is possibly one of the greatest incentives from the international viewpoint in encouraging the farmers of other countries to try and do what Canada has done in organizing for themselves and joining hands with the farmers of Alberta in trying to obtain a substantial profit for the commodity they sell.

Law of Supply and Demand Not Arbitrary Doctrine

We talk about the law of supply and demand. It is an old bogey. I believe in it, but I do not believe it is such an arbitrary doctrine that it says the price for wheat today is \$1.00 and in a short time \$1.07. It does say there is a price which the consumer can and should pay for his commodity according to world conditions. It becomes a question to what extent can the producer obtain the full measure of that price which the consumer should pay for his commodity, how far shall he get the benefit of the price. Just so long as Canada is competing with other countries who are underselling Canada under a lower standard of living, under a more disorganized system of marketing, throwing their commodity on the market without regard to the price paid to them, just so long will Canada suffer by not obtaining the best price and by not getting to the point where it is obtaining the maximum of what the consumer should pay according to the law of supply and demand literally interpreted. I believe that the strongest demonstration made to the world, so far as the growing of wheat is concerned, is what has been done by the farmers of western Canada

since 1923. At the International Conference practically the entire time was taken up with a discussion of the Canadian Wheat Pools. You have set an example to the whole of the civilized world and when you come to consider what your duty is going to be in the new sign-up campaign let me say it is not a matter of the individual. It is a matter of the welfare of the farmers of the province as a whole. And secondly, whether you are going to continue to show to the world what can be done by organized marketing, and by setting that example and holding it up as a light to farmers of other countries to organize like yourselves and join hands with you as far as possible in cutting down overhead in the sale and marketing of wheat. By doing that I believe that by working together you can gradually bring about that improvement in the return made to the farmer which will solve the fundamental question, namely that the farmer should get the cost of production plus a substantial profit adequate to the work and labor put into the growing of his crop.

If I have trespassed and taken up too much of your time I ask your pardon, and I say in conclusion that I bring to you the message of confidence from the Government that you will be successful in your efforts, and extend to you the heartiest wish that you may be successful and that the Pool in the next five years may be stronger than in the past.



HON. J. G. GARDINER
Premier of Saskatchewan

I may say that it is proper that coming to a sister province I should make some explanation as to why I find it not only possible but necessary to be here. The committee in charge of arranging this gathering were kind enough to suggest that I should make an address to this meeting on the Wheat Pool. I considered that request to be an honor extended not only to myself but to the province from which I come, largely because we are a province of wheat growers, because we are a province of farmers. We are perhaps the one province in Canada that can claim, without any doubt in that claim, that we are an agricultural province. The other day we had

the Manufacturers Association in the city of Regina for a few hours and just before they came I had occasion to look up the provincial records and I found in examining them that there are only 1,000 people in the whole province who are engaged in any industry other than agriculture, apart from those who are business men and those who are employed in connection with our organizations of transportation.

Saskatchewan an Agricultural Province

That should be sufficient evidence of the fact that the province of Saskatchewan is an agricultural province. As the head of the Government in that province I am particularly interested in the Wheat Pool movement because it has brought into the economic life of our province, and into the economic life of all western Canada, and possibly all Canada, a new idea in the method of dealing with the one product upon which the wealth of western Canada largely depends. New methods are bound to make necessary new legislation from time to time. It is my desire and that of every member of the Government, that we should keep in touch with the requirements of the movement in order to see to it that everything is done which can be done to make it possible for the Wheat Pool movement to meet with success in our great province.

Pool Necessary Due to Natural Conditions

There is a reason why we should feel somewhat interested in the success of the Pool apart altogether from the fact that we are farmers. In this western part of Canada we are developing a new era of conditions which are entirely different from those which have prevailed in any other part of the Dominion, and I believe in any other part of the civilized world, so far as the relationship of our product to the market where it has to be sold is concerned.

We are at a greater distance from our market; situated in the center of a great continent, with no access to ports from which to ship our grain without first shipping it by a long water or land haul. We are situated upon lands which are very fertile, lands upon which we must produce more abundantly, because of the cost of transportation.

These are conditions which exist in the western part of Canada that have to be recognized not only by the farmers who are living here, but by the financial institutions of Canada and by the transportation institutions and business organizations of every kind and are being more and more so recognized. Because of that situation we have known for a long time that some new method of marketing, a method suited to the conditions under which we live in the west, would have to be evolved and we have known for a long time, too, that that system was going to be evolved by the people most intimately concerned with its evolution. The only way in which a solution has ever been found for any of the great problems of humanity is by the people most intimately concerned. There are no people more intimately concerned with finding a solution for our problems than the people who are living right here in western Canada. I do not believe that any people at any time have grappled with these problems with greater intelligence than the people of western Canada.

We Are Prone to Look Through Too Small an Arc of Time

We sometimes make mistakes because we do not have sufficient information; also because when we are trying to arrive at a conclusion we do not take into consideration a sufficient length of time. Someone has said that a man just fails to be a prophet because he looks through the small arc of the circle of time, and I believe many of us have failed sometimes to recognize a solution which has been found for many of our problems, because we have not looked through a sufficiently long arc of time in arriving at our conclusions.

Canada Produces 10 Per Cent of Wheat Entering International Trade

In discussing this question it seems to me we should recognize the common position which the western part of Canada occupies among the wheat-growing countries of the world. Someone has said we only produce ten per cent of all the wheat produced in the world. In 1923 when the Pool campaign was being put over in our province men standing on platforms and writing in the press, said the crop of all Canada was only a drop in the bucket, only ten per cent of the entire production of the world. When you looked at that it looked as though we had not very much to boast about or give consideration to in connection with the production of food for the peoples of the world. But there is this further fact: there is grown in the world from year to year about 100,000,000 tons of wheat and in 1925 of that there was just a little more than 18,000,000 tons that entered into international trade. All of the rest was consumed by the people in the country where the wheat was grown, but some 18,000,000 tons entered into international trade because those countries producing it were producing more than they required and of that 18,000,000 tons more than 7,000,000 tons was produced in Canada, and the greater part of it in western Canada. We exported from Canada seventy per cent of all the wheat we grew. There are only four countries in the world today that can be called great exporters of wheat. One is Canada with 7,100,000 tons; the United States with 2,960,000 tons; Argentine with 3,200,000 tons and Australia with 3,100,000 tons, making a total of 16,360,000 tons out of 18,400,000 tons that entered into the export trade. Four countries producing eight-ninths of all the wheat that entered into international trade in 1926 and Canada producing almost two-fifths of that total amount.

That gives some indication of the prominent position which we occupy as a dominant factor in the production of wheat. There is this further fact, that the Wheat Pools of western Canada handled in 1925 5,100,000 tons of the 7,100,000 tons.

And yet some people have been inclined to say that the Wheat Pool is only a small thing in connection with this matter. Out of 18,000,000 tons of wheat being exported the Wheat Pools handled 5,000,000 tons. That is the answer. And that is done by the marketing of the wheat of 138,000 farmers in these three western provinces through the pooling system of marketing.

Pool Will Never Be Defeated By Outside Opposition

I said at the beginning that we are located a long way from our market. That fact has made necessary the development of those facilities by which our grain could be got to the sea coast and I wish to say, as was stated by the Prime Minister of your own province, that in any statements which I am going to make tonight I am not going to be particularly critical of any individuals or any organization so long as that organization has not been critical of individuals in connection with the great Wheat Pool movement. We in this movement know that the Pool is never going to be defeated by the old Grain Trade, or any other organization outside the movement here in western Canada. By standing shoulder to shoulder in a great organization, working co-operatively in order to market our wheat under the pooling system, we can meet the onslaughts of all attacks from outside but they must be met with the facts as they exist.

I am going tonight to do something I many times do not do, dwell a great deal upon detail in connection with the handling of our grain in order to take the risk if necessary of tiring you in the development of the subject as I see it with a view to leaving with you some ideas that may be carried out to meet the onslaughts made upon the Pool at the present time.

Situated as we are, facilities have had to be developed and certain individuals in recent days have been claiming the credit for having developed

as "future trading," but it is only some five or six or ten years ago that they began to try and educate the farmers of western Canada to take advantage of their system in order to protect themselves against the fluctuations in prices, but the farmers of western Canada did not desire to become involved in "future trading." The article continues: "It was the Grain Exchange that made possible the financing of grain by the banks without involving them in risks, and that in time developed the most complete machinery for taking the grain from the producer and putting it in the hands of the consumer at the lowest possible cost." The Winnipeg Grain Exchange has, therefore, been instrumental to a large degree not only in perfecting the present system of marketing the surplus grain produced in western Canada, but in addition, has gathered together under one flag and representative grain dealers from all parts of the world for competitive trading.

Contribution of Farmers' Movement

That is the claim, but as we look back over the history of the period through which we have passed, the last twenty years looking to by your Prime Minister, what are our recollections? Some of you have lived in western Canada much longer than I have. The present Federal Minister of Agriculture who is here tonight, whose farm is situated seven miles from my own, knows of the early developments of the farmers' movement in western Canada and that every one of these claims that are made of the Grain Exchange in Winnipeg in the development of the marketing system of western Canada were brought about by the legislation of the government and by the fighting of the farmers and in spite of many years what can we claim the credit for it.

To prove that, I only need to take you back to the year 1898 when for the first time, the Manitoba Grain Act was introduced into the Federal House of Commons by a Saskatchewan Senator supported by a present Senator from Alberta; these men at that time being members of the House of Commons. It was thrown out by the government of the day. A Royal Commission was appointed and as a result of the report following the Manitoba Grain Act was brought in. I understand they based their report upon the warehousing measure which they had in Minnesota.

Prior to 1906 Farmers Denied Seat on Grain Exchange

I notice in a little pamphlet got out by the Grain Trade that they claim that your organization and my organization is dealing upon the Grain Exchange but do you remember this, that previous to 1906 the Winnipeg Grain Exchange refused to give a seat to the farmers' organization that was then dealing in wheat. The matter was fought out in the province of Manitoba, and the old Roblin-Rogers government demanded that the farmers' organization be given a seat upon the Exchange. That battle was fought by the farmers; and if today a farmers' company can take a seat on the Grain Exchange without any great difficulty it is because of one of the battles fought by the farmers' movement more than twenty years ago.

Co-operative Companies

Coming to 1910: Who fought the battles of co-operation at that time, the battles which established a certain degree of success in the method of dealings in connection with wheat in western Canada? It was the farmers' organizations of the three provinces, Manitoba, Alberta and Saskatchewan. Manitoba advocated government ownership of elevators. As far as I know the only part the members of the Grain Trade took was the selling of the old elevators which they held to the Manitoba government. In Saskatchewan and Alberta at that time the decision was for a co-operative system. Manitoba has since followed suit and had a system based largely on the same principles, but the fact remains that it was the organized farmers of these three western provinces that put over the changes which were then

made and narrowed down the spread as between the price paid in western Canada for wheat and that which was being quoted at Fort William.

Role of Credit

This great central section of the North American continent was developed upon credit. When we came in, most of us, we did so as homesteaders, young men and women without anything of this world's goods, and started out to make a home for ourselves. The first thing we did was to secure the homestead and move on to it, possibly building a sod shack. We then got a yoke of oxen and if we had any money when we started it was all gone by that time. We went into the nearest town and ran a line of credit, and I do want to say that every consideration is due to the business men of this province and of Saskatchewan from one end to the other who carried us during the years when we were getting our start within these provinces.

The fact remains that we build up these provinces upon that line of credit which we obtained. We made our paper come due in the fall and when the fall came, what was the first thing we did? We got our wheat threshed, rushed it to town, because there is no man who has a desire to build up a home anywhere who has the desire to avoid any of the obligations he may have accumulated. We rushed our wheat to town and gave it to any person who would take it and give us a price for it, and as a result of that condition men had to take that wheat and finance it until it reached the markets of the world whether it went this fall or during the winter or following summer. They tell us today that there has not been any change made in the system of marketing under this Pool. You know that today you are carrying your own risk and also that in all the times of the past you carried that risk. You know that the men who took the grain off your hands went to our financial institutions and borrowed the money with which to carry it exactly the same as you are borrowing it today through your Pool, and that there was a margin placed upon the price which you obtained which placed the risk of any drop in the price almost entirely on yourselves. With the change in the situation you are still paying the interest for the money necessary to carry the crop, and you still take the risk of a drop in price, but whereas previously you had no chance in the world to get anything back if wheat went up under this system you have a chance of getting every dollar in it if it goes up.

I would like to reach a little further in this article because it brings out one or two other points, and, parenthetically, I think the gentleman who delivered that speech in Edmonton must have been very close to this article when it was prepared. Speaking of the relationships of Wheat Pool, D. C. MacLachlan, a past president of the Winnipeg Grain Exchange, made the following comments: "We have watched the experiment in that new marketing method, called the Pool." Naturally! "The Pool is a member of this exchange, a member of our Clearing Association, and also a member of our Lake Shippers' Clearance Association. The Pool utilizes all the facilities of the Winnipeg Grain Exchange; it uses our trading floor; it uses our price quotations; it uses our market for futures; it sells and buys for future delivery; and it uses our clearing features; it sells and buys for future transactions. It is now operating some country elevators. It operates private mixing houses. And one wonders just exactly in what the so-called new system differs from the old."

Fundamental Distinctions

I would like to say this: It differs from the old in this essential feature, that whereas every one of the facilities that is mentioned as having been developed under the Grain Exchange as it previously existed was used in order to make sure that no risk was taken in holding your grain. In other words, to make sure that the profits of the Grain Trade went into the pockets of private individuals, but under the new system if the Wheat

Pool is making use of these facilities they are doing so in order to make every bushel of wheat that goes into the Pool of the greatest value to the farmer who put it in. And I would say to those men, we are not as a farming population starting out in order to scrap everything that has been built up through the years since this country was opened up. We are out as a group of farmers to take advantage of all the work that has been done before and to say to everyone that we are quite capable of looking after our own business.

Pool Does Not Pool Everything

After all, it is as much the business of the farmers to market grain as it is the business of the farmers to grow their grain. That is exactly the same principle as is applied by the manufacturing industry of Canada, by all the financial institutions of Canada. They handle themselves, that with which they make their living and from which they are building up their homes. Why cannot the farmers do the same thing without any criticism from anyone else?

Let me read a little more from this same gentleman: "True enough the Pool distributes the proceeds of its sales in a different way, on the idea of giving the same average price for the same grade—a principle of distribution which ignores entirely all such matters as differences in the price of land, cost of production, skill on the part of the producers and other factors." Does it? What sets the price of your land? One of the factors is the fertility of it, the possibility of producing more bushels of wheat on that farm than on some other farm. Do you lose that advantage in the Wheat Pool? That is the only advantage you had from your farm under the old system, no other. Again there is another factor. The nearness of your farm to town. Why does that increase the value? Because you can make two trips to town while the man twice as far away makes one. You can still do that when you are in the Pool. You have every advantage in the pooling system so far as the location and fertility of your farm is concerned, as you had under the old method of marketing, and surely our friends on the Winnipeg Grain Exchange are not going to claim credit for the fertility and the location of your land!

Who Bears the Risks of Marketing?

The last statement of all is the one which brings us to the point: "They transfer all the risks to the producers, and, if they offer wheat to a foreign buyer at a lower price than the commercial exporter, they know that they are not personally confronted with a possibility of bankruptcy."

That is the final sentence. All the risk has been transferred to you. Do you know of anyone else who ever carried that risk for you? Under the Pooling system you are carrying the same risk as before but in return for it you are getting every dollar out of the wheat for the wheat purchased in the markets of the world.

Not Difficult to Combat Arguments of Opposition

There are a great many statements made in different pamphlets produced from time to time which I know can be combatted by any man or woman who has been keeping in touch with the pooling system. Statements to the effect that wheat came down in 1926 as compared with 1925, that those outside the Pool had received more for their wheat than those inside. The unfortunate thing about all such statements is that no one can prove or deny them. But there are certain things that are a matter of record and I am not going to give them to you with the idea of showing that you got a certain price for your wheat by the pooling method or that it costs more to continue under the old system but to give you some indication of some of the things that have happened.

Ups and Downs in the Price of Wheat

In 1919 the average price of wheat taking the whole 12 months of the year was \$2.38; in 1920, \$2.49; in 1921, \$1.64; in 1922, \$1.23; in 1923, \$1.08; in 1924, \$1.27; in 1925, \$1.64; in 1926, \$1.49. I am sure you will know that the lowest average price obtained any year since the war was in 1923, \$1.08. If I want to trace through the crop year, you would find that the figures tell even a better story than that so far as the Wheat Pool is concerned. Here it is: take the months of the crop year of 1923: August, \$1.12; September, \$1.06; October, .97; November, .97; December, .98; May, \$1.04; June, \$1.14; July, \$1.35. That was the first year in which the Alberta Pool was operating but the other two Pools were not operating.

In other words, from the end of the war to 1923 wheat was gradually sent down, down and down until it reached the average price of \$1.08. These figures were not produced for the benefit of the Wheat Pool but upon which our agricultural department based their estimates of the crops throughout the year and they have always been found to be fairly close.

There is also this fact: In every year since 1923 under the operations of the Wheat Pool there has been a gradual rise in price, with the exception that for this last year wheat was lower than it was in the previous year. You cannot judge taking one year without another, but over the term of years there has been a gradual rise on the one side of 1923 and on the other side a gradual fall.

Higher Wheat Prices Do Not Necessarily Mean Higher Prices for Bread

That might not mean very much but here is one question which I would like to ask. I have not the figures with me, but I keep fairly closely in touch with developments in connection with prices. The question is this: Did you notice any difference in the price of bread over that period? We do not eat wheat in its raw state. It is consumed as bread and I venture to state the consumers in the Dominion have paid pretty much the same price throughout that whole period and the consumers on the other side of the ocean have paid pretty much the same price over that period for their bread. Anything the Wheat Pool has accomplished has not had the result of boosting the price to the consumer, but your own Prime Minister pointed out to you that there were indications that the results of the operation of the Pool improved the method of living that the farmers who are producing the wheat are able to treat themselves to. In western Canada in the years from 1921 to 1923 we were attempting to pay off those undertakings which we entered into in good faith during the years when wheat was high, and we should take our own responsibility for what we did.

Precarious Position of Farmers Before Pool

One day in 1920 when wheat was starting to go down I conceived the idea that if I could only get it back again to the price it was a few days before I could pay all my debts. I went down to my banker and I said, "I want \$600." The banker sat down on the other side of the table and started to write out a note and I thought I had not explained enough, and I said: "I have a car load of wheat at Fort William and I want to hold it until the price goes back again." He looked up with a smile and said, "You should not have told me that." I asked, why? He said, "I have instructions from the head office not to loan any money for the holding of wheat." He kept on writing that note and I signed it, and I held the wheat and lost more than the \$600 on the one car. When I went back to that bank at the end of a few months I sat down on one side of the table and the manager sat down on the other side and I said: "I want to renew that note." He did that and I went back the second time and renewed it, and one day I was able to pay it and I thought I could talk to him. I went in and we sat down at the same table and I said: "Here is \$600, but I would

like to ask you one question. Why did you not carry out the instructions of your president?" He looked me up and down and said: "You know, I have been wanting to ask you a question ever since that day. What was the thought that went through your mind when I told you that?" I said: "I will be frank, it was, what does that man sitting down in Montreal know about my wheat? Have I not a right to hold it?" Well, I did but we have to take our own responsibilities from one end of the transaction to the other in connection with that kind of thing. That man did know more about the price of wheat than I did. He knew more about what it was going to do than I did, because when these men were carrying the risk of holding great quantities of wheat they did have something to say in what the price was going to be.

Why Do the Canadian Financiers Support the Pool?

Why is it the financial interests are standing behind the Wheat Pool? I have had the experience that your own Prime Minister has had, and I have sat in the offices of the leaders of our financial institutions in Toronto and Montreal and without any exception they have all said to me that the Wheat Pool method of marketing is stabilizing the financing of western Canada, and because of that it is of assistance to agriculture and also to every other industry in the Dominion. That is the sentiment. These men know it. What do they mean by stabilizing financing? You talk about orderly marketing of your wheat. There is something just as important and that is orderly financing right on your farms, and we have been doing that with the assistance of the Pool. Some few moments ago I said that we were doing business different from other agricultural countries and I say now that those of you who come from the east know that when you lived there you did not know much about borrowing money out of a bank. If you knew anything about banks it was when you went there to put something in. Out here, because of the conditions I have described, we were compelled to borrow and when we had a short crop we were compelled to carry over into the next year the cost of seedling and operation. But as a result of the orderly marketing of our grain and financing of our farms we are getting along with less credit, but in spite of the fact that banks are doing less business with us individually they are doing a safer business with the Pools and doing a safer business with every individual farmer in the Pool. That will be of benefit not only to farmers but to all other businesses in Canada.

Economic Committee of League of Nations Supports Pool Plan

I was going to say something with regard to this other article got out in Geneva by the League of Nations. They call it "Studies of the Wheat Pool." They made a report on the Pools and in that they say some very important things. One is: "The application of this method involves as a rule an obligation on the members to deliver during a specified number of years their total crops to the co-operative society." I read that to make it sure, and to show they are dealing with co-operative organizations. "The perfected organization of the marketing co-operatives is particularly adapted to the need for disposing of the produce in distant markets." That surely deals with our case. Our markets are the most distant of any agricultural country in the world. "In point of fact these co-operatives have been most widely adopted in the export countries," again our condition, "as for instance Denmark and other countries exporting dairy produce, and in Canada, today the greatest exporter of wheat." And then they go on to say something with regard to the same matter that was dealt with by the Grain Exchange. "Owing to its relatively small population Canada has to export about 70% of its wheat output. The large distance between the producing areas and the ports and markets, have made it necessary to create a very complete machinery for means of transport, warehousing, commerce and banking. This machinery has been developed both under the

influence of the very requirements of the trade and under the pressure of the farmers. The latter had to fight the combined interests of the railways and the elevator companies inch by inch to acquire storing facilities and a free road to the markets. Their struggle may be divided into three periods." Then follows the description of the periods through which the farmers went. Towards the end they say: "The aim of agricultural co-operative marketing societies is twofold, being in the first place the regular and certain marketing of the produce, and secondly, the stabilization of prices at a level corresponding to the expenses incurred by the producers and their families as determined by the prices of other products. This twofold end can be achieved only by a co-ordinated body and by the use of methods which relate not only to the organization of the marketing of the products but also to the products themselves."

In reading over the pamphlets issued by your Pool I have come to this conclusion, that you are not only giving attention to the marketing of your wheat, but also to production and to the cost of production, to financing on the farms. Because you are doing that, you are meeting the aims of a co-operative and creating conditions under which men and women on the farm are enjoying life more than when the Pool was formed. In Saskatchewan we are anxious that the sign-up in the Wheat Pool should be a success in Alberta and we have no reason to think it will not be.

There is a real surprise in store for any organization or any group of individuals who think they are going to prevent the next sign-up in Saskatchewan. I have not the permission of those in authority to tell you why I am so sure of that but you will find out before a very great while.

Saskatchewan Wheat Pool Established for Next Five Years

We know there has been an attempt made to build up an organization to prevent the next sign-up of the Wheat Pool, but we know that it has been forestalled by the management of the Pool itself and we believe that the Wheat Pool method is established in Saskatchewan for at least the next five years.

If we are convinced at the end of five years as we are today that we are benefitting by that method it will make very little difference at that time whether you have a sign-up or not. I believe there will be a system of marketing established under the control of the farmer into which the wheat will go whether we have a sign-up or not. It would make no difference to me whether I signed the contract or not for the following five years; I would still deliver my wheat to the Pool.

My experience has been that in the first year I received \$1.00 for my wheat as an initial payment. It is true I sold my oats, which were not in the Pool, that day when wheat was \$2.20, and some of my farmer friends came and said you would have liked to have sold your wheat that day too. I said, so far as I know, I would not. One of my friends said: "Why are you so anxious to keep the Pool going?" I said: "After all I have tried the market a number of times and it just happened that the first year I was growing wheat I sold it at the top of the market." But for many other years I could tell a different story.

We Must Work Together to Solve Our Economic Difficulties

I am willing to pool my wheat along with the farmers who live at greater distance and nearer to the market. Because if we are going to accomplish anything as farmers in the handling of our business on our farms, in dealing with this economic question with our own marketing facilities, we will have to do it acting together and working together, standing shoulder to shoulder for the benefit of ourselves as individuals, and as a farming community in the Dominion of Canada. I thank you.



HON. R. B. BENNETT
K.C., M.P.

After listening to practical farmers like my friend the Prime Minister of Alberta and the Prime Minister of Saskatchewan I am sure you have no desire to hear from me. One of my friends said that when Premier Brownlee referred to this very distinguished gathering on the platform as the Fathers of Confederation he probably had overlooked describing them as a real Mutt and Jeff show. (Explanation—Premier Brownlee is about 6 feet 6 and Premier Gardiner about 4 feet 4!).

Wheat Proposals Sound

I am in the happy position of coming before you as one who is not a new convert to the cause of the Wheat Pool. When I was not in public life I espoused its cause. I believed it was a method that would result in great benefit to the people of this province and of our Dominion. I was not a practical man, but although at that time I had large investments in the grain business I was led to believe that the Wheat Pool proposals were sound by reason of the advice I received from the gentleman responsible for my being here tonight, my good grain friend John McFarland, whose genius for making money in the grain business is well known to you all. I may say that it was under his distinctive ability that the manager of the Alberta Wheat Pool elevators was trained, and we regret he is not with us tonight, being laid aside temporarily by illness.

Pool Has Remedied Farmers' Grievance

I believe in the Wheat Pool because I was convinced, as I am now, that no agricultural community can be efficient that is unhappy and no people be happy who think they have a grievance. I was convinced that our people believed a few years ago that they had a real grievance with respect to the marketing of their grain, and I knew that a people with a grievance could not be a happy people.

I saw they were looking for a remedy. They had set their minds to bring a measure of service and satisfaction to themselves through their efforts in selling and marketing their product, and they determined that by a co-operative system of marketing that would be able to bring about a certain measure, as they believed, of service and relieve themselves from the grievance under which they believed they suffered.

Establishment of Wheat Pool Alberta's Most Notable Achievement

They tried, and of all the matters by which this country will be known when the history of Alberta comes to be written the establishment of the Alberta Wheat Pool in 1923 by a group of our people will rank as one of the greatest exploits. I am convinced it is so, not only from the results but from the example it has been to other countries, and I am satisfied that the Prime Minister of Saskatchewan will not misunderstand me when I say I believe there is no Pool that has been so well managed as that of Alberta, and that there is no Pool that has been conceived with the same high regard for what it conceived to be the rights of others engaged in the marketing of grain as Alberta. That condition we owe largely to the fact that the movement was laid by one to whom I should like to pay a tribute of respect and admiration. It was laid by one whose political beliefs are widely different from my own, both of us realizing the weaknesses of democracy and having different remedies as a solution. We look at it from different angles, but no man or woman in this country who realizes the high ideals of public service, the honesty of purpose, the integrity of character which characterizes H. W. Wood will realize how great a debt we owe to the leader of a great movement. It is a debt that this community will never adequately pay or the rural population perhaps properly appreciate.

Outside Enemies Will Never Destroy Pool

The Premier of Saskatchewan made an observation with respect to the enemies from without. The Wheat Pool will never be destroyed by its enemies without its gates. If at all, if ever, destruction will come from its friends within. Dissension, suspicion, disbelief and eventually, racking ruin. That is the great thing you must get your minds settled upon, that you now are confronted no longer with a theory but the condition that the Wheat Pool has functioned for four years discharged its honest responsibilities and now is seeking a mandate from its constituency to continue its operations.

Pool's Plan of Centralized Selling Sound

Whether or not I was influenced by a desire that the men who till the soil and the women who live on the farms should be happier or more contented before today, as this movement progressed I realized it was based on sound business lines. That has been referred to at some length, but I will perhaps be allowed to enumerate them: First, orderly marketing of the product means that instead of the product being sent to the purchasers by 100,000 sellers there is but one. That means stability, certainty, equality of treatment, the lack of that competition which so far as this business is concerned brings chaos and disorder to its own people.

Supply and Demand

Premier Gardiner referred to the law of supply and demand. It is true the great economic law cannot be changed, but equally is it true that the conditions under which it operates can be changed. You may change the conditions under which it operates or suspend its operations. There is the law.

Orderly Marketing

What were the facts before the Pool came about? You had in the fall great quantities of grain being thrown upon the markets of the world that you and I knew at that moment were not in a position to have demand for that supply. The immediate demand was more than met by the supply. Some countries supply more food than they can consume and others are constantly requiring the surplus. So it is, we have what we call trade, the supplying of the surplus of one country to meet the demand of another, but that demand does not arise in the fall. The demand of 1922 of the people of the world did not mean a demand that arose just in the fall. That demand was one that had to be met by all the nations of the world, because as every month goes by there is a crop maturing in some country of the world, and so it was that this demand is not one that had to be met and could be met at once but one that could only be met as it arose in the future, in the months to come.

What was the result? Does any man not know that you have to take into consideration all the future conditions, the crop in other countries, the interest on your investment, and other factors? Those speakers who spoke of 136,000 people in Alberta, Saskatchewan and Manitoba as able to supply the demand in an orderly and regulated manner from the vast supplies that had not been dumped on the market but held by the Pool itself, to be marketed at the moment that was most opportune. That itself is the first business consideration that influences me to support the Pool.

Pool's Method of Payments Valuable Innovation

Second, the question that has been touched upon a number of times. I recall the circumstances under which the Pool came into being. I do not suppose anyone will charge me with egotism when I say I pressed on the banking institutions with which I had affiliations the desirability of giving their support to the Pool. I am happy to say that when the President of one of the banks came to this city I said we must do everything possible to help because I foresaw just what Premier Brownlee has said, that the deferring of the payment in full of the property you produced on your farm ensures you having money with which to meet the demand made on you next year.

There is nothing more fatal to any of us than to have large sums of money not knowing what we will do with it. That is the trouble with the farmer who sold his crop for cash and put the money in the bank. He was never happy until it was spent. Ask his wife!

He would listen to the high-power salesman who sold him a six-cylinder car if he had the money in the bank, but if he had the deferred payment and could only get enough cash to meet his liabilities and knowing he would get more later on to provide for emergencies that was a different situation.

That situation in itself you cannot measure in terms of dollars and cents. It changed the whole economic face of this province; the financial change made this country more prosperous than it otherwise could have been. Similarly, every city in this province. Your taxes have been paid, the interest on your mortgage has been met, instalments of principal have been paid and you have conducted your business on a budget system instead of spending the money on anything offered you from a milking machine down to a phonograph.

Imperative That Pool Contracts Be Renewed

I am not a practical farmer, but may I say to the great unseen audience whom I am addressing as well as those in this hall: It is no longer a theory that confronts us in Alberta, it is a condition. You have had four years of your Wheat Pool. Are you going to be so regardless of the trust imposed in you by your fellows as to surrender the benefit you have secured?

What are you going to give them to replace it? Do away with this Pool and what will you have? That is the problem. The Pool of Alberta was conceived not in a spirit of vindictiveness to any other interest. It had the highest desire to co-operate with every established system in this country. It was willing to pay for the use of the facilities that existed, but it had to meet with opposition. If it was an attack they had to meet, they met it in the only way to take care of themselves. Again I say the Pool gives practical expression to the highest form of co-operative spirit, by which every man receives the same price for his wheat of the same grade whether he be the farmer of 1,000 or 100 acres, a quarter or ten sections. Sentiment given practical expression to in this province, cannot help but bring about a higher conception of the duty of citizenship a realization that any healthy effort is the best effort to make a nation.

Opposition Cannot Succeed

May I sound this warning? I have seen manifestations and expressions of threatened action against those who do not see as we do. Such expressions are wholly at variance with the work in which you are engaged. They are a demonstration of a spirit of vindictiveness and entirely out of keeping with the spirit of co-operation. I give that just as a warning. Nothing will destroy so quickly as a desire to destroy. The man whose object in life is to destroy what others have built, never yet constructed an idea let alone anything else. Opposition cannot succeed. Is that not sufficient? Be content to let them work out their own destiny while you work out yours.

Renewal of Contracts: Greatest Service to Canada Since Confederation

Your work in the next few weeks lies in having these Pool contracts signed and when they are signed see they are not broken. It is better not to have vowed than to have vowed and not keep that vow. Break not thy contract, is as old as civilization itself. I cannot but believe that the same high sentiments that prompted the men and women of this province four or five years ago, in the light of the experience they have had as to price, as to orderly marketing of their product, the value of the partial payment, in the hope that comes from removal of grievances, in the realization of the vast spread between the cost in Canada and the cost in the market of the world, that a single seller is better than a thousand sellers, have not changed tonight. The position that the great cartels of England and Germany and France claim with respect to steel and iron, the enjoyment of their rights in those great industries, is the same in the matter of the rights of the farmers of this province. If the idea is continued that has existed from the start of the Pooling organization, if those conditions govern you in the years to come, I am satisfied instead of being sixty or seventy per cent that Alberta farmers will realize the duty and obligation which is on them to make certain this great farmers' movement becomes a great deal stronger. The movement is their's—not lawyers or doctors or politicians—their own business, controlled by their own directors, with their own managers.

If it fails you have struck a blow at farmers' organizations that will not be recoverable in the next half century.

I leave the problem to you and by signing up you will be doing Alberta a service, and one to Canada not equalled since Confederation.

